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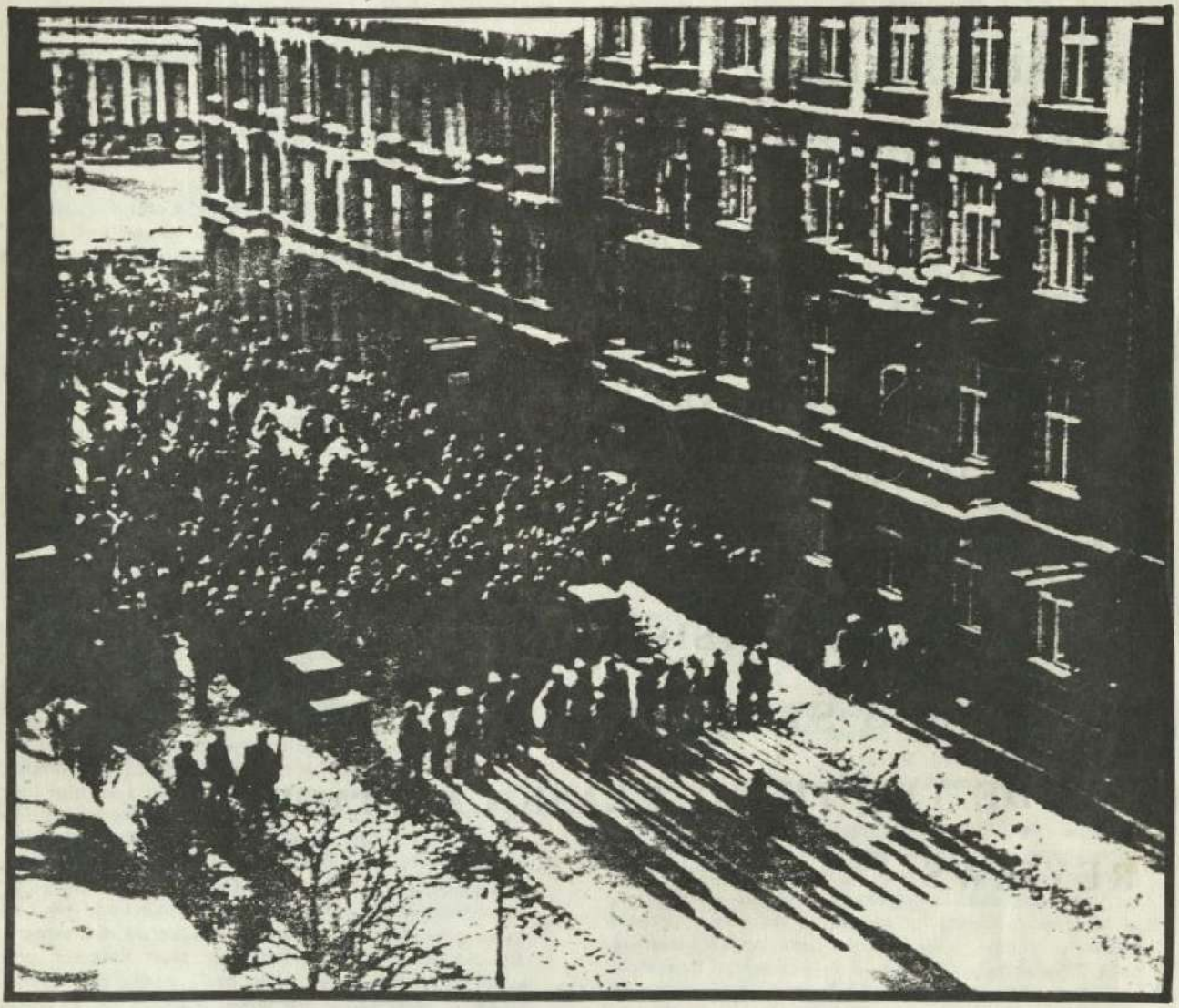

THE MARXISM OF PAUL MATTICK · Class Struggles in Poland · Socialism in France? · Daumier · & more

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Cover photo: Warsaw, December 1981.
(Courtesy of Black Rose Lectures.)

Introduction

A year ago, on February 7, 1981, Paul Mattick died at the age of 76. Though widely noted in Europe, his death evoked little comment in the United States, where his work has been accorded scant attention by the leftist and academic-Marxist press. He has been mourned as one of the last representatives of a disappearing European radical tradition. He was this, but for us what was and remains important about Paul is his refusal to live in the past. The ability to give up earlier beliefs and theories is as rare in revolutionary thinkers as in others. Paul developed his ideas not in relation to changing fashions but in response to his own continual reevaluation of a changing reality. He insisted on the central importance of Marx's theory of capitalist society and critique of political economy, not out of piety but because it made possible an understanding of the actual course of capitalist development. His critique of Keynesianism, in *MARX AND KEYNES*, is a powerful confirmation of Marx's theory and made possible the prediction, by the late Fifties, of the renewed economic crisis of the last decade.

Paul was important to us in *Root and Branch* not simply as the main economic theorist of our time. Marxism was originally not an economic theory but an analysis of capitalist society, a society in which the dominant categories of economics are periodically, in times of crisis, challenged with categories implying the possibility of new social relations — of socialism, or the abolition of wage-labor and the state. Since Marx's time, the two strains of Marx's thought — economics and politics — have been represent by different currents and individuals. The Stalinist Henryk Grossman, for example, was the major figure in the rediscovery of Marx's critique of economics, while Rosa Luxembourg, who failed to understand this critique, developed Marx's theory of the socialist movement as working-class self-organization. Mattick alone in our period recombined these strains into an analysis of the many-sided social process that constitutes the capitalist mode of production. On this basis he criticised both bourgeois and marxist economics, and also the predominant forms taken by the socialist movement in the past — social democracy and bolshevism — as expressions of capitalist development.

The main part of this issue of *Root and Branch* is therefore devoted to Paul Mattick. The obituary by Michael Buckmiller appeared last year in a number of German left publications. The article by Pierre Souyri was published several years ago as a review article in the French historical journal Annales. Allan Taylor's review of *Anti-Bolshevik Communism* sketches out Mattick's critique of the traditional labor and socialist movements. Most importantly, this issue includes the first publication in English of two of the last pieces Paul Mattick wrote. The first, "Capitalism and Socialism," is a chapter from his last book, left unfinished at his death, but to be published under the title *Marxism, Last Refuge of the Bourgeoisie?* That he believed the answer to this question is No can be seen in this essay, which summarizes the argument of the book

Simultaneously with this issue, *Root and Branch* is publishing a complete bibliography of the writings of Paul Mattick. It will be sent to all subscribers, and is available to others for $2.00 plus .50 postage.

Paul Mattick was not interested in personal renown but in contributing to a revolutionary theory and practice. For this reason we think it important that this issue of *Root and Branch* not be a "memorial isue," but attempt to continue Paul's work. Hence two articles about recent events which raise issues long associated with the workers' movement.

The victory of Francois Mitterand in France seemed to signal the revival of social democracy in a new period of economic and social disruption. But Charles Reeve's analysis of the French Socialists' accession to power concludes that they will no more be able than their predecessors to avoid the painful domestic consequences of the international economic crisis. Reeve also points out that the Socialists' electoral victory can in no sense be seen as the result of autonomous worker activity, which has been at a low ebb in France in recent years.

On the other hand, the Polish workers' creation of Solidarnosc is an encouraging example of workers' self-organization (although its repression is an unhappy reminder of the obstacles it must face, especially in a "workers' state"). Paul Mattick Jr. discusses the ways in which the Polish movement made good use of the experience of previous workers' movements and achieved a remarkable level of self-organization, despite splits, eventually quite serious, between the leadership and membership of Solidarity. Mattick suggests that the dominant strategy within Solidarity, that of the moderates, may not after all have been, as was generally supposed, the most "realistic" one.

In the United States, not only are workers' movements barely visible at present, but even social democracy is strikingly absent from the political mainstream, at least as compared with Europe. The leading American proponent of social democracy is Michael Harrington,. whose major recent offering, *Decade of Decision*, is criticised by George Scialabba for its advocacy of essentially Keynesian economic reforms.

Finally, we're pleased to print an article by Alan Wallach on "The Third Class Carriage," a painting by Daumier. Wallach's essay seems to us to combine social history with art criticism in an interesting and useful way.

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PAUL MATTICK

1904 -81

On 7 February 1981 Paul Mattick died in Cambridge, Mass., at the age of seventy-six. His thinking and his political activities were deeply stamped by that radical, council-communist current in the German workers' movement of the early twenties, into which he grew as a young man. Born in Pomerania in 1904, Paul was raised by class-conscious proletarian parents, and already at 14 belonged to the Spartacist Friei Sozialistische Jugend (Free Socialist Youth), and was the apprentices' delegate in the workers' council at the Siemens factory where he had begun an apprenticeship as a toolmaker in the Spring of 1918. Seeking adventure, he was involved in many actions during the revolutionary period, and was several times arrested and threatened with death. The eventual reflux of the revolutionary movement, which had come under the control of and then active repression by the Social-Democratic Party, strengthened Mattick's basic conception, that the revolution must be made by the workers on the basis of their own ideas, and that no one else would make it for them.

As "revolutionary parliamentarism" began to prevail within the KPD(S) (German Communist Party — Spartakusbund) in the course of the year 1919 and Paul Levi, Rosa Luxemburg's successor as party leader, expelled the uncomprising council-communist tendency from the Party, Paul left the KPD with the group that in 1920, after the Kapp Putsch, formed the Kommunistische Arbeiterpartei Deutschlands (KAPD, German Communist Workers' Party). He worked in its youth organization, the Rote Jugend (Red Youth), for whose journal he began to write. At the age of 17 he went to Cologne with the idea of finding work at the Klockner works, at which he succeeded until strikes, an insurrection, and another imprisonment brought this employment to an end.

Active in and around Cologne as an agitator and organizer for the KPD and the Allgemeine Arbeiter Union (General Workers' Union), Paul was encouraged in his attempts at writing through his intensive contacts with the many radicalized intellectuals, writers, and painters who were members of the Allgemeine Arbeiter Union — Einheitsorganisation (AAUE, General Workers' Union — Unified Organization), founded by Otto Ruhle. This from 1925 on his literary essays, political commentary, and reviews appeared regularly in the left radical press. Many were not published under his name; in the left-radical movement, unlike the social-democratic and party-communist organizations, one can hardly strive for personal advancemnt, as on basic principle there are no paid positions to be secured.

After the inevitable collapse of the KAPD, and of all the oppositional groups within and without the KDP that opposed the bolshevization of that party in the mid-twenties, it was clear to many that an autonomous revolutionary working-class movement could for the time being have no more chance in Germany and was condemned to a shadow existence in the face of the established organizations. Given this state of affairs, and personally hard hit by years of unemployment, Paul look for adventure again and in 1926 went to America (without, however, severing his ties with the KAPD and the AAU).

Since his early childhood Paul had been a great reader; in the linguistic isolation of an American small town he found for the first time the opportunity for systematic study of the literature of the revolutionary movement, starting with the works of Marx. In this self-education, the publication in 1929 of Henryk Grossman's major work, *Das Akkumulations — und Zusammenbruchgesetz des Kapitalistischen Systems* (*The Law of Accumulation and Collapse of the Capitalist System*) played an especially important role, as Grossman brought the Marxian theory of accumulation, fallen into oblivion, once again into the center of socialist discussion. Years before, Rosa Luxemburg had already recognized, in the debate over revisionism, that a revolutionary practice is incompatible with a reformist theory, and that it is therefore necessary to demonstrate that there are objective limits to capitalist development. But her underconsumption theory did not derive the ineluctable end of capitalism from Marxian theory itself. Grossman, in contrast, showed that all the difficulties of capital accumulation, and thus capitalism's liability to crisis and its historical end-point, are (as Marx would have it) traceable to the capitalist relations of production and thus to value an surplus-value production.

To be sure, Grossman did not maintain the view, sometimes ascribed to him, that capitalism will collapse automatically, or that we can calculate in advance the moment when it will collapse, but argued only that, given the crisis tendency inherent in capitalism, the chance arises in every great crisis for the proletariat to transform the class struggle within capitalist society into a struggle for another, socialist form of society. Thus Grossman's book, published in the opening year of the world economic crisis, acquired a particularly topical significance for someone who had not given up all hope for a proletarian revolution and who had not surrendered to the illusion of a leisurely reformist transition to socialism. That for Paul the systematic exploration of the Marxian critique of political economy, which he

encountered with Grossman's recovery of Marx's crisis theory, was no purely theoretical matter but was directly connected with his practical revolutionary activities, can still be felt in the words of an essay (marked by a self-critical undertone) he wrote forty years later:

> *Revolutionaries are prone to overestimate the difficulties of accumulation, in order to confer an objective weight to their revolutionary solutions. The allegedly "fatalistic" conviction of an "inevitable collapse" of the system was not a hindrance but on the contrary a spur to revolutionary activity. But this is also to say that the different interpretations of Marx's theory of accumulation depend not just on different class interests, but also on the state of the class struggle at a given moment.*[1]

At the end of the twenties Paul sought to break out of provincial isolation and to renew his practical involvement in the working-class movement. He went to Chicago, where he joined the IWW, as the American organization closest in spirit to the KAPD and AAU. The great period of militant Wobbly strikes was already over by the start of the thirties, however, and only the onset of the unemployed movement gave rise to even a short-lived revival of the regional IWW. Paul Mattick wrote (in German) a Program for the IWW in Chicago; published in May, 1933, its subtitle, "The Death-Crisis of the Capitalist Systems and the Tasks of the Proletariat," shows the strong influence of Grossman's theory. But the IWW no longer lent itself to any great organizational success.

Already earlier Mattick had attempted to unite the various German-speaking workers' organizations in Chicago, and in 1931 he revived the *Chicago Arbeiter-zeitung*, a tradition-rich paper once edited by August Spies and Joseph Dietzgen. But the paper could not be long maintained against its Communist Party competition, directed by Stefan Heym, and involving direct attacks on Mattick, and disappeared again after a year. It finally became clear that it made little sense to live and work in the United States, and hope to influence the American revolutionary movement, but confine one's propagandistic efforts to one ethnic group. From this time on, therefore, Paul wrote mainly in English.

In 1934, Paul joined with friends expelled from the Leninist Proletarian Party to form the United Workers Party. Council-communist in orientation, this organization soon dropped its misleading name. As the "Group of Council Communists" it was constituted by groups in a number of cities. It maintained links with the Dutch council communists around Anton Pannekoek, Henk Canne Meijer and Jan Appel. From 1934 it published the journal *International Council Correspondence* whose title was changed in 1938 to *Living Marxism* and in 1942 to *New Essays*. In addition to his factory job (as a tool and ie maker) Mattick not only in great part organized the technical production of the journal, but also wrote most of the articles that appeared in it. Among the few people who collaborated regularly in this journal was Karl Korsch, with whom Mattick made contact in 1935 and who after his emigration to the USA in the following year

INVISIBLE GRANDEUR
for Paul Mattick

Over my head rises a tall column of darkness
wavering into the sky
Inside it are faces moving like distant clouds
A sudden gust of wind makes them tremble
The face of an assembler smiles
as she puts down her tiny screwdriver in mid-turn
Her smile flowers into a vast octopus
silhouetting its arms against the aquarium glass
In the glass is reflected
the face of her supervisor shrieking
It is the tires of police vans outside the windows
of an apartment-block shaped like a toolbox
The wrenches and calipers
leap rattling inside its numbered trays
and the face of an old exile smiles
as he looks down from it
into the square where thousands of nobodies
scaffold a spiral tower out of their shouting
His smile uncoils into a scarlet honeysuckle
climbing among the beams
of the identical tower which fills his room
Now the tower rises
over his head like a tall column of darkness
where faces or clouds in the distance
tremble and gather and advance

by Adam Cornford

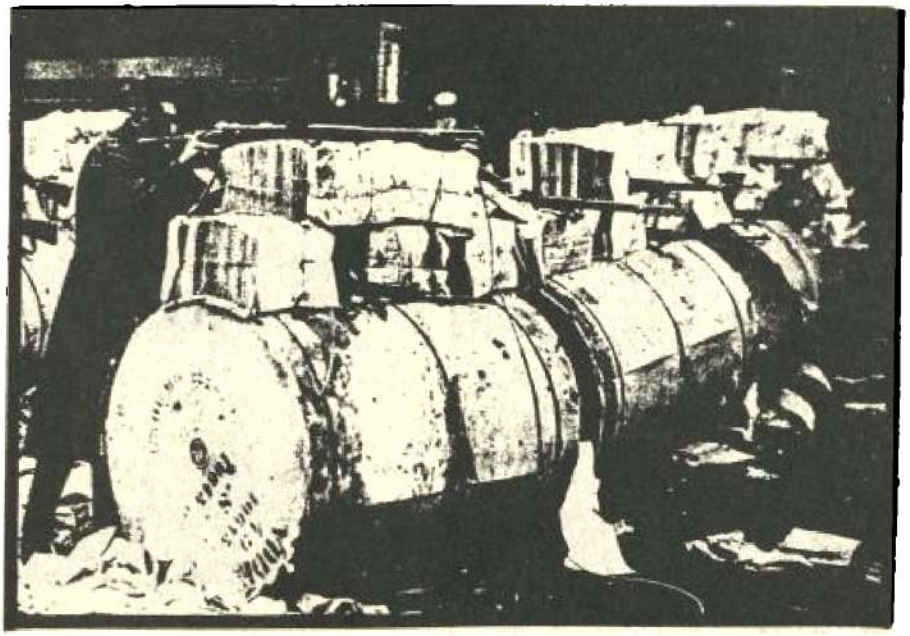
Germany, 1919 -- The Spartacist uprising

became a personal friend. Reading through the five-volume reprint of the journal today, one is at once astonished and shocked that a journal, produced with such slendor means and under such difficult circumstances as this one, could maintain such a high theoretical level — and have so narrow an influence for so long a time.[2]

The militant unemployed movement was unable to create a lasting revolutionary organizational form for itself, especially after 1936, when the New Deal brought the first social improvements for the working class. American capitalism was able to manage the unemployment problem for the time being and to integrate, partly by force, partly with money, the mass movement in which Mattick in Chicago had been tirelessly active. With the coming of the war, and the prosperity that followed it, Paul found himself condemned for the rest of his life to carry on the class struggle by other means: wth the weapon of theoretical critique. He always regretted this limitation of his possibilites of activity to the ideological sphere, and looked on it, hopefully, as temporary. That this state of affairs in the end permitted him to become a Marxist theoretician of enormous stature changed nothing in his basic proletarian attitude.

In 1936 he prepared for Horkheimer's Institute for Social Research a sociological study of the unemployed movements in the USA. Buried in the files of the Institute, it was first published in 1969 by the German SDS publisher Neue Kritik. His own position achieved sharper definition in the attempt to liberate Marxism from its dogmatization by political ideology, especially at the hands of social democracy and bolshevism, so as to return to its essential content, the critique of political economy and the potentiality for autonomous working-class emancipation. With great analytical sharpness and theoretical sensitivity he subjected to an "orthodox" critique many well-regarded Marxist theoreticians who have wished to convince us that Marxism must be "supplemented" in one way or another, or who out of political ambition extolled state capitalism as the next step in the direction of socialism. It may at first glance appear that Mattick was only seeking to "defend the rights" of Marxian theory from an abstract, orthodox standpoint, without paying sufficient attention to real changes in the economy and society and therefore also in the labor movement. But Paul's Marxian "orthodoxy" stemmed from his dedication to the practical working-class movement. In his eyes, the critique of political economy must not be abandoned to the theoretical fashions of the time, just because Marxism as an analysis of capitalism's dynamic is also a theory of the class struggle.[3]

With the entrance of the USA into World War II, and the ensuing decades of conformity (and McCarthyite persecution), American leftist activity came to a halt. Paul Mattick left New York City, where he had moved at the end of the war, for the Vermont countryside, where he attempted to earn a living by whatever jobs he could find and by writing. During the period of the post-war prosperity, practically all political economists and economic policy-makers became Keynesians, convinced that the problems of capitalism were soluble with the "mixed economy," that is, in the interplay of the free market and governmental economic policy. Paul continued the studies on Keynes that he had begun already in the forties, and wrote a book criticizing Keynesian theory and practice from a Marxian point of view. How strong the hold of Keynes was at that time can be guaged



The Spartacist uprising

from the fact that *Marx and Keynes* was only published well over ten years later, in 1969, when the miracle of Keynesian policy was beginning to lose its luster. It sounds like a piece of speculative philosophy of history, but it is nevertheless a fact that it was a worker who defended the possibility of proletarian revolution against the Keynesian "revolution."

This defence also included a critique of socialist theory. For instance, in a detailed study of the economically contradictory foundation of Herbert Marcuse's theory of "one-dimensional man" in late capitalist society, which made a great stir in its time, Paul objected to the thesis that in advanced industrial society the Marxian proletariat had become a "mythological notion." Despite his agreement with Marcuse's critical analysis of the ruling ideology, Mattick showed that the theory of "one dimensionality" had only ideological significance. Marcuse called Mattick's critique the only serious one that hs book received (without, however, making any attempt to deal with it, a silence shared by his many admirers).

By the sixties, Paul had moved to Cambridge, where he continued to produce a steady stream of books, articles, and reviews. Today, his writings have been translated into many languages. The Danish experimental university at Roskilde engaged him as Guest Professor in 1974-75, at the demand of the students. He lectured on a number of occasions in Europe in the late sixties and early seventies. His last major series of lectures was at a conference in Mexico City in 1978. In the United States, with a comparatively low level of Marxist culture, Paul's work was not so well known in this period, though he had some influence on members of the student movement of the sixties in Boston, and later spoke at many public meetings and classes. Whoever had the opportunity to experience him in person will remember his integrity and consistency in theoretical questions, his amazing breadth of interests and knowledge, his courage in maintaining his positions — rationally and not dogmatically — against the current of theoretical fashion, and the absence of any personal ambition. He died as he had lived — a Marxist and a revolutionary council communist. In 1969 he wrote, in his book on Marcuse, "however small the chances are for revolt, this is not the time to throw in the towel." Paul Mattick's life is a witness to this idea, and can be for us a source of courage to continue the struggle.

by Michael Buckmiller

NOTES

1. Afterword to H. Grossman, *Marx, die Klassische Nationalokonomie und das Problem der Dynamik*. Frankfurt/M.: EVA, 1969, pp. 127f.
2. *New Essays* (Vols. I-V), Evanston (Ill.): Greenwood, 1970.
3. See the essays collected in *Anti-Bolshevik Communism*. White Plains: M.E. Sharpe, 1978.

THE MARXISM OF PAUL MATTICK

Those works of Paul Mattick which have been published in France have given rise to only a few responses and to almost no favorable commentary. One can hardly be astonished at this, for the work of this old German radical, quite unmindful of intellectual fashions, has been nothing but an unremitting denunciation of the myths and ideologies which have flowered in the course of the long consolidation of capitalism since the Second World War. Even in the years when capitalism went, in Germany, Italy, and Japan, "from miracle to miracle," Mattick did not believe that the Keynesian or neo-Keynesian policies were nullifying Marx's prognostics as to the contradictions and limits of the accumulation of capital. But Mattick did not only persist in opposing Marx to Keynes; above all — and this is much more unusual — he also opposed Marx to almost all those who claimed to speak in his name. According to Mattick, the self-proclaimed continuators of Marx have been only his epigones, all guilty, since the end of the 19th century, of having falsified the meaning of Marxism by refusing to see it as a theory of the collapse of capitalism or by deducing that collapse from premises other than Marx's own.

Beyond their divergences and the conflicting conclusions to which they led, the revisionists (Cunow, Schmidt, Tugan-Baranowsky), the Austro-Marxists (Bauer, Hilferding), the Bolsheviks, and the Luxemburgists had this in common: they believed it possible to construct the theory of crisis and to examine closely the dynamic of capitalism on the basis of the reproduction schemes of Volume II of *Capital*.[2] Starting from these, some derived crises from a breakdown of proportionality between the production of the two departments, others from under-consumption. Whether they concluded that the system adapts itself or that on the contrary it faces a future of ever more violent convulsions, all of these arguments presupposed that the contradictions of capitalism are to be found in the sphere of circulation. But, while it is certainly true that crises make themselves known in the guise of an over-production of commodities and of labor-power, to describe their manifestations at the level of the market is not the same as to bring to light their real determinations.

In reality crises originate not in circulation but in production itself: they break out when there is a breakdown of the necessary proportionality between the production of surplus-value and the needs of accumulation. It is the insufficiency of surplus-value that periodically interrupts the continuity of enlarged reproduction, and crises are overcome only when capital finds the means to raise the rate of profit to the level necessary for a recommencement of accumulation. If one wishes to demonstrate that capitalism does not have an infinite future before it — which was without doubt Marx's ambition — one can do this only by showing that this mode of production is evolving towards a limiting situation in which the counter-tendencies opposed to the lowering of the profit rate can no longer continue to operate. To ignore or to reject the idea that Marxism is fundamentally a theory of the impossibility of an unlimited development of capitalism, as did almost all the theoreticians of the II International and the Bolsheviks, amounts to severing from Marx's thought its most essential aspect.

But this mutilation is obviously neither accidental nor senseless: on the contrary, it expresses the appearance, within Social Democracy and among the Bolsheviks, of a political project which no longer coincided with that of Marx. By supposing that the contradictions of capitalism were gradually being attenuated, that exchange between the two departments of the economy remains always possible, or even that cartellization introduces into the system elements of conscious regulation which temper its original anarchy, the revisionists and the Austro-Marxists laid a theoretical foundation for a practice whose real function, experience was to show, was only to second the capitalist system's process of self-rationalization. And this is true for Lenin also, who borrowed the essentials of his analysis of imperialism from that of the social-democratic theorists — Hilferding and even Bauer — which led him to believe that the capitalism of trusts and monopolies and, even more, "war capitalism," was already a capitalism in the process of socializing itself. From this point of view, it is enough to seize the state from the capitalists and to complete the statification of the economy to establish the essential bases of the transition towards socialism. It is true that for the Bolsheviks, the passage to socialism presupposes the destruction of the bourgeois state, while the Social Democrats aspired to gradually take it over in order to use it for socialist ends. But their differences were with respect only to the means of reaching the same goal: the establishment of a state-controlled economy which would no longer experience

the breakdowns of proportionality and the disequilibrium that capitalism on its own is unable to eliminate. Socialism as the Social Democrats and the Bolsheviks conceived it is only capitalism without its anarchy.

Alone in this period Rosa Luxemburg placed herself on the terrain of authentic Marxism, by maintaining that capitalism follows an historical trajectory in the course of which it destroys, by its very expansion, the conditions necessary to its existence. But if in this way she understood much better than her contemporaries that "the law of the accumulation of capital is only the same as the law of capitalism's collapse," she got lost in making the ultimate impossibility of capitalism depend on the system's inability to realize all of the surplus value. Mattick, who takes for his own use Henryk Grossman's interpretation of the theory of accumulation, affirms, on the contrary, that the limits of the expansion of capital can result only from the fall of the rate of profit. According to Marx, the capitalist system is doomed to fall apart not because it doesn't succeed in realizing an excess of surplus-value but because it finds itself faced with a lack of surplus-value.

By challenging all the "disproportionality" and "under-consumptionist" interpretations of Marxism in order to refocus the Marxian analysis of contemporary capitalism on the problem of the fall of the rate of profit, Mattick was able to show — and this by the sixties![4] — that a destabilization of the system was conceivable and probable. His merit is not small if we remember that in that era almost no one dared to maintain that capitalism, "revolutionized" by Keynesian policies, was still undermined by contradictions capable of bringing again into question the continuity and regularity of growth. While official economic science claimed to be in a position to supply governments with infallible recipes allowing it to put off indefinitely the dynamisms of the economy, and prophesied that the crisis cycle was finished for ever, the neo-Marxists and the "meta-Marxists," fascinated by the wonders realized by a system they had believed to be in its death-throes, shared this conviction. Baran, Sweezy, and so many others with them, who were, as Mattick says, hardly more than Marxistic Keynesians, affirmed that since the law of the fall of the profit rate had given way to a law of rising surplus, modern capitalism was now confronted only by an excess of products. It dealt with this by a systematic organization of waste under mulitiple forms, and it would be able in this way indefinitely to overcome its latent tendencies toward stagnation. As for Marcuse, he said that he was persuaded that the power of technological development would henceforth give capitalism the means to organize ever more solidly the integration of the proletariat, on the basis of a continual increase of consumption within the affluent society. Between the capitalism analyzed by Marx and contemporary society there was a break in continuity: the world had entered into a new period whose history no longer operated in terms of the mechanisms that Marx had had, at one time, the illusion of exposing. All these theoretical innovations caused a great stir in the intellectual world. And nevertheless, by supposing that there did not exist, or that there no longer existed, objective limits to the growth of capitalist production, the innovators were doing no more than exhuming from the dust of time a picture of capitalism which at bottom had already been developed by Tugan and Hilferding.

In reality, if after 1945 capitalism succeeded in reviving and regularizing growth, this was not so much thanks to the measures suggested to governments by economic science as because the depression of the thirties and the war, by halting accumulation for a long time and by destroying an unprecedented amount of plant and equipment, had allowed the return of the conditions which make it possible for an expanding capital to valorize itself. Everywhere, in fact, the renewal of fixed capital was achieved on the basis of measures rationalizing production and of developing new technological means which would permit, for many years, increasing productivity more rapidly than wages. This augmentation of the rate of exploitation made it possible to slow down the decline of the profit rate and even to raise that rate appreciably in the countries — Western Europe, Japan — where capital constructed a highly productive technology while wages remained at a relatively low level.

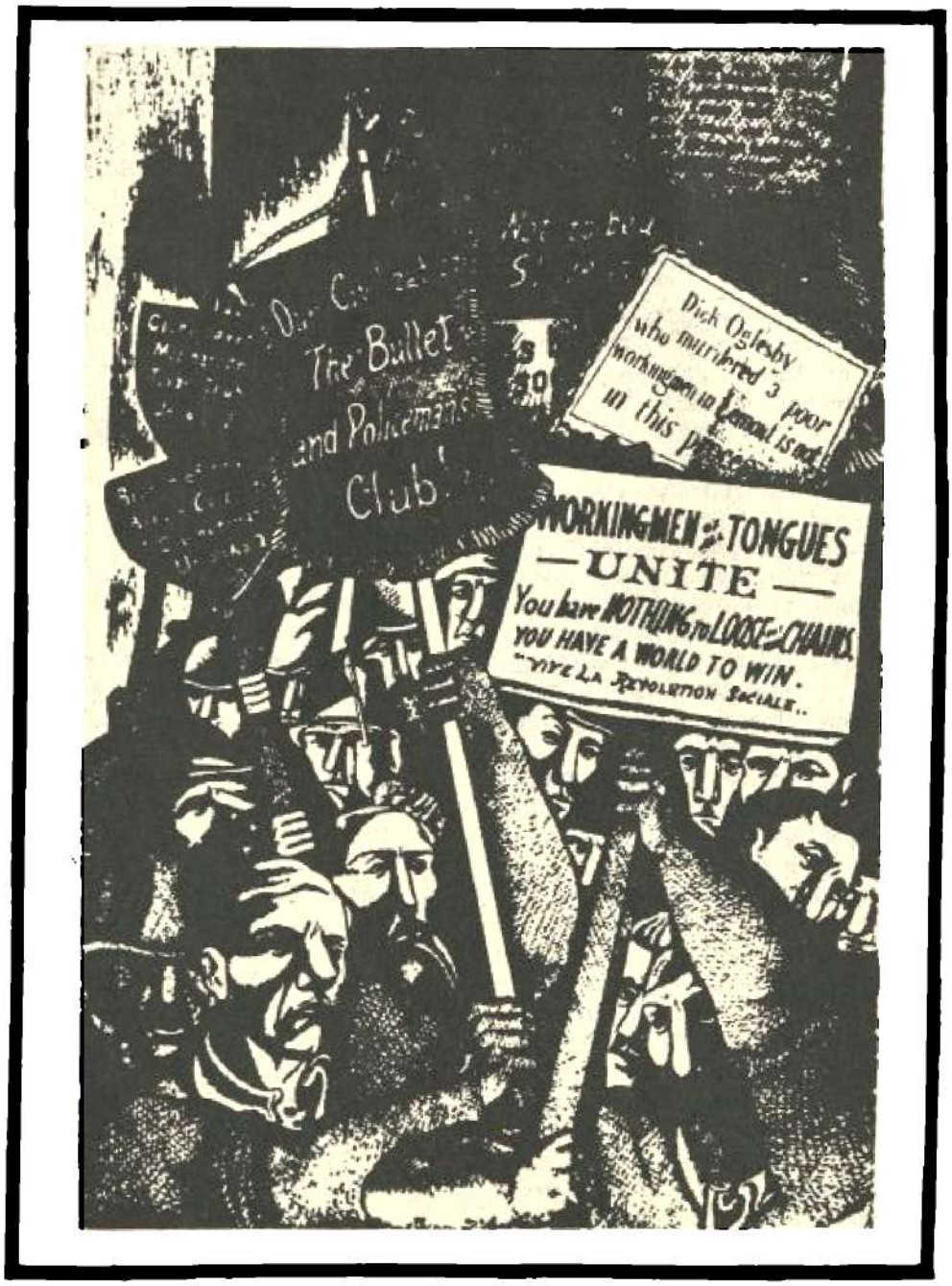
However, the crisis of capitalism was only imperfectly overcome, as was shown by the marked inequalities of development that continued to characterize the world economy. If growth was exceptionally strong in Europe and Japan, the Third World, harshly pillaged by imperialism, continued, for lack of capital, to stagnate in underdevelopment, and even in America the rate of accumulation remained below the historical mean for this country. The most powerful capitalism on earth just barely succeeded in stabilizing its rate of profit, and U.S. capital was soon forced to seek abroad, by way of its multinational corporations, the surplus-value which businesses situated on American territory did not produce in sufficient quantity. World capitalism as a whole continued to find itself confronted with a relative shortage of surplus-value and the measures that governments took within the framework of the mixed economy to revive growth, each time that the curve turned down, changed nothing in this situation.

When in effect the state places orders with the private sector to hinder deepening recessions or to shorten their duration, the expenditures undertaken by the government indeed make possible the employment of workers who would otherwise have been unemployed, and the production of goods which would otherwise have not been produced. But production to the state's account is paid for with surplus-value already crystallized (or expected to be) in the form of money capital, with the result that this production does not increase the mass of surplus-value convertible into capital. The volume of government-stimulated production and that of the resulting public expenditure can in reality not increase more rapidly than the social product. For things to be otherwise, the amount of surplus-value available for capital accumulation would have to contract, which would certainly lead to conflict between the ruling strata of society and their state itself.

This is just to say that the mixed economy was able to give capitalism the appearance of a system whose contradictions were overcome by state action only to the extent that capital had succeeded in stopping the decline of profitability by its own means. But this consolidation of capitalism could only be temporary because the "consumer society" bore within its own functioning the seeds of a new phase of the decline in the rate of profit.

Mattick shows how, since the sixties, the signs — then rarely perceived — of this downturn began to manifest themselves. The extraordinary expansion of unproductive labor, the swelling of the expenses that states found themselves compelled to undertake to check the tendencies to underemployment of labor and capital, the increasing pressure of wage-costs, more and more difficult to contain to the extent that the regularizaton of growth diminished the industrial reserve army, slowly choked the rate of profit. Once again, a breakdown of proportionality between the production of surplus-value and the needs of accumulation was underway.

It is true that inflation for a time permitted the containment of the amplification of a crisis which was developing from the mid-sixties on. The systematic increase of prices which, by lowering the value of real wages and the revenues of social groups living on surplus-value, permits the increase by that amount of the part of that same surplus-value convertible into capital, became a new means of palliating the increasing difficulties of enlarged reproduction. But when the inflation in its turn led to "stagflation," it became clear that the additional surplus-value taken by capital by raising prices could no longer be transformed sufficiently



rapidly into additional investments to block the reappearance of significant unemployment. A cycle of capital has been coming to an end: the inflation itself no longer suffices to raise profits to the point where a rapid revival of accumulation would permit the breaking of new limits to the increase of productivity.

Marcuse was seriously mistaken when he affirmed that capitalism was henceforth in a position, by means of the employments of an ever more productive technology, to accumulate and at the same time to raise the level of consumption. This was to forget that the accelerated incorporation of science into industry presupposes that the system has always at its disposal a sufficient quantity of surplus-value convertible into capital to make practical use of the technological innovatons it holds in reserve or can develop. Above all it was to fail to see that it is not possible, within capitalist relations of production, to counteract the decline in the rate of profit by an indefinite substitution of technological means for living labor. Already, in the most advanced countries, the number of productive workers is stagnating or even falling. If we suppose that in the period to come capital would succeed in appropriating sufficient surplus-value to carry productivity, step by step, to ever higher levels, the contraction of the strata producing surplus-value would accentuate and the system would lead to a situation in which variable capital no longer represented more than a declining and finally negligible fraction of the total capital. But then the very possibility of capitalist production, as production based on the extraction of surplus-value and its realization in the sale of commodities, would become problematic.[8]

In this line of thought one will recognize the arguments of Marx himself, when he explored the ultimate consequences of mechanization for the constitutive elements of the capitalist relations of production. It is true that Marx in his time appeared to pose a purely abstract problem, so long as capitalist reality was still far removed from the limiting case he strove to analyze. Today, the appearance and development of automation have strikingly reduced this distance, and the problems posed to capitalism by a continuous decrease of productive labor are tending to become more and more concrete and current problems. The powerful technological development that capitalism has succeeded in achieving in the course of the last decades does not allow the system to transcend the contradictions of accumulation: in Mattick's eyes it constitutes only a flight forward which, if it is to be pursued, will have no other effect than to bring the capitalist system ever closer to its historical limits.[9]

Doubtless Paul Mattick will be reproached for having conceived of the evolution and the future of capitalism in terms of a certain economic catastrophism, which is not unrelated to Luxemburgism, although it is based on completely different presuppositions. This is not totally wrong, since Mattick has always maintained, against everyone, that Marx's theory of accumulation was a theory of the breakdown of capitalism. It is much more incorrect to attribute to Mattick a conception of the historical process as reducible to a purely economic mechanism. It is obvious that the class struggle is not at the center of his analysis of the origins of the crisis and that in any case he does not pay much attention to various forms of struggle — resistance to speed-up, lowering labor productivity, absenteeism, turnover, etc. — which have added their effects to those of wage demands as factors of stagnation and then reduction of the rate of profit. But when he envisages the possible consequences of the crisis in which capitalism now seems to him to be involved, Mattick is careful not to predict that this is going to lead to a rapid resurgence of revolutionary struggle from the depths of the one-dimensional society, as if the proletariat's combativity and political lucidity would rise as an inverse function of the decline of profitability. Mattick belonged to a generation which did not have the naivete to believe that revolution is in sight as soon as capitalism enters into crisis. Revolution, he says, is never a certainty, but neither is it a "mere Marxist dream," for if the proletariat can not make itself the gravedigger of capitalism and does not even conceive the idea during those phases when the system succeeds in consolidating itself by recovering the ability to accumulate, nothing can predict what will happen, if it turns out that the contradictions of the system are dislocating the economic foundations on which the integrated society is constructed. Mattick's catastrophism is not as optimistic as that of Marx or even Rosa Luxemburg. But neither is it completely without hope.

Pierre Souyri

Notes

1. This holds as well for the U.S. All references in the following notes are to works by Paul Mattick.
2. See *Economic Crisis and Crisis Theory* (White Plains: M.E. Sharpe, 1981), Ch. 3.
3. See "Karl Kautsky: From Marx to Hitler," in *Anti-Bolshevik Communism* (White Plains: M.E. Sharpe 1978) and "On the Concept of State-Monopoly Capitalism," in *Economics, Politics, and the Age of Inflation* (White Plains: M.E. Sharpe, 1978).
4. *Marx and Keynes* (Boston: Porter Sargent, 1969) was actually written in the mid-fifties.
5. See "Monopoly Capital" in *Anti-Bolshevik Communism*.
6. See *Marx and Keynes*, *passim*, and *Economic Crisis and Crisis Theory*, Ch. 4.
7. See *Economics, Politics, and the Age of Inflation*.
8. See *Critique of Marcuse* (London: Merlin, 1972).
9. See "The Economics of Cybernation," *New Politics* (1962) 1(4):18-33.

Capitalism and Socialism

Marx's critique of political economy was as abstract as political economy itself. On the basis of its assumptions, Marx's model of capitalist production could only end in the collapse of the capitalist system. However, this collapse was not conceived of as the automatic outcome of economic processes, independent of human actions, but as the result of the proletarian class struggle. "Along with the constantly diminishing number of magnates of capital," Marx wrote, "grows the mass of misery, oppression, slavery, degradation, exploitation; but with this too grows the revolt of the working-class, a class always increasing in numbers, and disciplined, united, organized by the very mechanism of the process of capitalist production itself. The monopoly of capital becomes a fetter upon the mode of production, which has sprung up and flourished along with it, and under it. Centralization of the means of production and socialization of labor at last reach a point where they are incompatible with their capitalist integument. This integument is burst asunder. The knell of capitalist private property sounds. The expropriators are expropriated." (1)

Like all true revolutionaries, and notwithstanding his scientific bent and materialist outlook, Marx was a romantic in his thoughts, feeling, and attitudes. Although convinced that "no social order ever disappears before all the productive forces, for which there is room in it, have been developed; and new higher relations of production never appear before the material conditions of their existence have been matured in the womb of the old society," (2) he saw in the maturing proletariat the most important productive force straining against the capitalist relations of production. History, in Marx's view, does nothing, but must be made by men, by way of class struggle. As an ardent student of the French Revolution, and an observer of as well as participant in the revolutionary upheavals of 1848, during which the working class, even within the context of bourgeois aspirations, displayed itself as an independent anti-capitalist force, Marx saw capitalism's future preordained with the proletarian revolution. It was of course not possible, and from Marx's point of view also superfluous, to determine in advance when the capitalist relations of production would cease to further the development of the social forces of production and thus release the objective need for social change. All that was necessary for revolution was the presence of a force within the shell of capitalism representing new social relations in conflict with the capitalistically-limited forces of production. In a developed capitalism, any prolonged and deep-going crisis could lead to a revolutionary situation and to the overthrow of capitalism. By breaking the crisis-cycle of capital production, the way would then be free for a further unhampered social development. In the early Marxist movement, this was seen as a realistic possibility, due to the fact of a growing socialist movement and the spreading recognition that there was an alternative to capitalism.

Objective conditions, changing in the course of capitalistic development, would bring forth a subjective readiness on the part of the working class to change the social relations of production. The theory and practice of a growing labor movement was seen as a unitary phenomenon, due to the self-expansion and at the same time the self-limitation of capitalist development. Marx's *Capital*, employing the methods of scientific analysis, was able to proffer a theory that synthesized the class struggle and the general contradictions of capitalism. The actual class struggle would — in time — turn class consciousness into revolutionary consciousness, and the fight over wages and working conditions would become a struggle for the abolition of the wage-system, that is, for the ending of capitalism.

However, whereas Marx's analysis of the social contradictions inherent in capitalism refers to the general trend of capitalistic development, the actual class struggle is a day-to-day affair and adjusts itself necessarily to changing social conditions. These adjustments are bound to find a reflection in Marxian theory. The history of capitalism is thus also the history of Marxism. Although interrupted by periods of crisis and depression, capitalism was able to maintain itself until now by the continuous expansion of capital and its extension into space through an accelerating increase of the productivity of labor. It proved possible not only to regain a temporarily lost profitability but to increase it sufficiently both to continue the accumulation process and to improve the living standards of the great bulk of the laboring population. The economic class struggle within rising capitalism, far from endangering the latter, provided an additional capitalist incentive for hastening the expansion of capital through the application of technological innovations and the increase of labor efficiency by organizational means. While the organized labor movement grew and the conditions of the working class improved, this fact itself strengthened the capitalist adversary and weakened the oppositional inclinations of the proletariat. But without revolutionary working class actions, Marxism remains just the theoretical comprehension of capitalism. It is then not the theory of an actual social practice, able to change the world, but functions as an ideology in anticipation of such a

practice. Its interpretation of reality, however correct, does not affect this reality to any important extent. It merely describes the conditions in which the proletariat finds itself, leaving their change to the indeterminate future. The very conditions in which the proletariat finds itself in an *ascending* capitalism subject it to the rule of capital and to an impotent, merely ideological, opposition at best.

The successful expansion of capital and the amelioration of the conditions of the workers led to a spreading doubt regarding the validity of Marx's abstract theory of capital development. Apart from recurring crisis situations, empirical reality seemed in fact to contradict Marx's expectations. Even where his theory was upheld, it was no longer associated with a practice ideologically aimed at the overthrow of capitalism. Marxism turned into an evolutionary theory, expressing the wish to transcend the capitalist system by way of constant reforms favoring the working class. Marxian revisionism, in both covert and overt form, led to a kind of synthesis of Marxism and bourgeois ideology, as the theoretical corollary to the increasing practical integration of the labor movement into capitalist society.

However, not too much should be made of this, for the organized labor movement has at all times comprised only the smaller part of the laboring class. The great mass of workers, even though "united and organized by the very mechanism of the process of capital production itself," acclimitizes itself to the ruling bourgeois ideology and — subject to the objective conditions of capitalism — constitutes a revolutionary class only potentially. It may become revolutionary by force of circumstances, which overrule the limitations of its ideological awareness, and thus offer its class-conscious part an opportunity to turn potentiality into actuality through its revolutionary example. This contemplated function of the politically-organized section of the working class was lost through its integration into the capitalist system. Marxism became an increasingly more ambiguous doctrine, serving purposes different from those initially visualized.

All this is history: specifically, the history of the Second International, which revealed that its Marxist orientation was merely the false ideology of a non-revolutionary practice. As the overthrow of the system seemed both impossible and unnecessary, the modifications of capitalism determined those of the labor movement. As a reform movement, the latter partook of the reforms of capitalism, based on the increasing productivity of labor and the competitive imperialistic expansion of the nationally-organized capitals. Objectively, the class struggle turned into class collaboration.

The contradictory viability of capitalism as a system of private interests within social production finds its reflection not only in the capitalist mind but also in the consciousness of the working class. Both classes react to the results of their own activities as if they were inevitable. Subjected to the fetishism of commodity production, they perceive the historically-limited capitalist mode of production as an unavoidable, ever-lasting condition. As this erroneous perception secures the exploitation of labor by capital, it is of course systematically fostered by the capitalists, as the ideology of bourgeois society, and indoctrinated into the proletariat. But quite aside from this indoctrination, the capitalist conditions of social production force the working class to accept its exploitation as the only way to secure its livelihood. The workers' immediate needs can be satisfied only by submitting to these conditions and their reflections in the ruling ideology. Generally, they accept the one with the other, as representing the real world, which cannot be defied except at the price of suicide. An escape from bourgeois ideology in any case will not alter their actual position in society and is, at best, a luxury within the conditions of their dependence. No matter how much they may emancipate themselves ideologically, for all practical purposes they must proceed as if they were still under the sway of bourgeois ideology. Their thoughts and actions remain necessarily discrepant. They may realize that their individual existence can only be altered by collective actions. But they are still forced to attend to their immeidate needs as individuals. The twofold nature of capitalism as a system of social production for private gain reappears in the ambiguity of the worker's position both as an individual and as a member of a social class.

It is this situation, rather than some conditional inability to transcend capitalist ideology, which makes the workers reluctant to express and to act upon the oppositonal attitudes which complement their social position as wage workers. They are aware of their class position, even when they ignore or deny it, but they also recognize the enormous powers arrayed against them and the threat of destruction should they dare to challenge the capitalist class relations. It is for this reason, too, that they choose a reformist rather than a revolutionary mode of procedure when they attempt to wring concessions from the bourgeoisie. Their lack of revolutionary consciousness expresses no more than a recognition of the actual social power relations. A cautious "realism" — that is, the recognition of the limited range of activities open to them — determines their thoughts and actions and finds its justification in the power of capital.

As an organized mass movement within ascending capitalism, socialism could be "successful" only as a reformist movement. By adapting itself politically to the frame of bourgeois democracy, and economically to that of the labor market, the socialist movement neither challenged the basic social production relations nor the political structures evolved by these relations. Under these conditions, Marxism, in so far as it was not altogether rejected or re-interpreted into its opposite, took on a purely ideological form which did not affect the objectively pro-capitalist practice of the labor movement. As such, it could exist side-by-side with other ideologies competing for the allegiance of the workers. It no longer represented the consciousness of a workers' movement out to overthrow the existing society, but a world-view, presumably based on the social science of political economy.

With this, it became a concern of the more critical elements of the educated middle class, allied with, but not part of, the working class. It is of course true that socialist ideas were first and mainly — though not only — propounded by members of the middle class who had been disturbed by the inhumane social conditions of early capitalism. It is then not surprising that the capitalistic improvements at the turn of the century should mellow their critical acumen and this the more so as the workers themselves had lost most of their oppositional fervor. Marxism became a preoccupation of intellectuals and took on an academic character. It was no longer predominantly approached as the conceptual representative of a movement of workers but as a scientific problem to be argued about. Yet the disputes around the various issues raised by Marxian theory served to maintain the illusion of the Marxian nature of the labor movement until it was thoroughly dispelled by the realities of the first world war.

As regards its significance, furthermore, Marxism has been more of a regional than an international movement, as may be surmised from its precarious hold in the Anglo-Saxon countries. It was above all a movement of continental Europe, even though it developed its theory by reflection on capitalistically more advanced England. While in the latter country capitalism was already the dominant mode of production, the bourgeoisie of continental Europe was still struggling to free itself from the remaining shackles of the feudal regime and to create national entities within which capitalist prodcution could progress. The economic and political turmoil accompanying the formation of the various European national states involved the proletariat along with the bourgeoisie and created a political consciousness oriented toward social change.

While opposing the entrenched reactionary forces of the past, the rising bourgeoisie also confronted the working class in so far as this class tried to reduce the degree of its exploitation. Despite this early confrontation, the working class was forced to support the aspirations of the bourgeoisie, if only to create the conditions for its own emancipation. From the very beginning of the working class movement in continental Europe, therefore, there existed simultaneously the need to fight against capitalist exploitation and the need to support the development of capitalism as well as the political institutions it created for itself. The common interest of both the emerging classes — the bourgeoisie and the proletariat — in overcoming the vested interests of the past, was already a form of integration that found its reflection in the strategy and tactics of the labor movement, that is, in its striving for political power within bourgeois democracy and the alleviation of the economic conditions of the working class within the confines of political economy. As a political movement, however, Marxism could not dispense with its socialist goal, even though practically it could gain no more for the working class than any of the apolitical movements that arose in the established capitalist nations, such as England and the United States, which restricted themselves to the fight for higher wages and better working conditions without challenging the existing social relations of production.

It was then historical peculiarities which determined the character of the socialist movements in continental Europe, that is, the partial identity of proletarian and bourgeois political aspirations within the rising capitalism. Marxist theory implied the preparation for a socialist revolution within a general revolutionary process that could as yet only issue into the triumph of the bourgeoisie, the destruction of the semi-feudal state, and the dominance of capital production. After these accomplishments, the road would be free for a struggle restricted to the labor-capital antagonism, which would first pose the question of a proletarian revolution. The way to foster this general development was by partaking in the as yet incomplete bourgeois transformation and by pushing forward the capitalist forces of production through economic demands that could be met only by an accelerated increase of the productivity of labor and the rapid accumulation of capital.

In the Anglo-Saxon countries, however, the special issues that agitated the European labor movement did not exist, or did not arise at all, as the capitalist mode of production and bourgeois rule constituted the uncontested social reality. Here the conditions which were goals for the European labor movement were already an established fact and reduced the struggle between labor and capital to the economic sphere. Class consciousness found its expression in pure trade unionism; the ongoing monopolization of capital was echoed by the attempted "monopolization" of labor, as the developed forms of general competition in expanding capitalism. This situation foreshadowed the continental labor movement's further development and with it that of its Marxist, or socialist, wing. The more capitalism came into its own, the more the idea of revolutionary change fell by the wayside. The growing trade unions severed their early close relationship with the socialist parties and the latter themselves concentrated their efforts on purely parliamentary activities to press for social legislation favorable to the working class, through the extension, not the abolition, of bourgeois democracy. For the time being and the foreseeable future, as Eduard Bernstein, one of the leading "revisionists" of the German Social-democracy and the Second International, put it, "the movement was everything and the goal nothing."

However, organized ideologies do not abdicate easily, and this the less so, as their proponents defend not only their convictions but also their positions within the organizations that are supposed to realize the ideological goals. The rather quick rise of the socialist movement allowed for an organizational structure increasingly attractive to intellectuals and capable of supporting a bureaucracy whose existence was bound up with the steady growth and permanence of the organization. The hierarchical structure of capitalist society repeated itself in that of the socialist organizations and trade-unions, as the differentiation between the commanding leadership and the obeying rank and file. And just as the workers accomodated themselves to

the general conditions of capitalism, so they accepted the similar structure of the socialist movement as an unavoidable requirement for effective organizational activity. Although in an entirely different sense than usually understood, this found a rather apt expression in the interpretation of social democracy as "a state within the state."

As in the capitalist world at large, in the social-democratic movement too there was a right wing, a center, and a left wing, although the struggle between these tendencies remained purely ideological. The actual practice of the movement was reformist, untouched by left-wing rhetoric and indirectly aided by it, as it provided a socialist label for opportunistic activities aimed no longer at the overthrow of capitalism but at organizational growth within the system. Supposedly, bourgeois democracy and capitalism itself would through their own dynamics prepare the social conditions for a qualitative change corresponsing to a state of socialism. This comfortable idea was held by all the tendencies within the socialist movement, whether they still believed in revolutionary action to accomplish the transformation of capitalism into socialism, or assumed the possibility of a peaceful nationalization of the means of production through the winning, with a socialist majority, of control of the state.

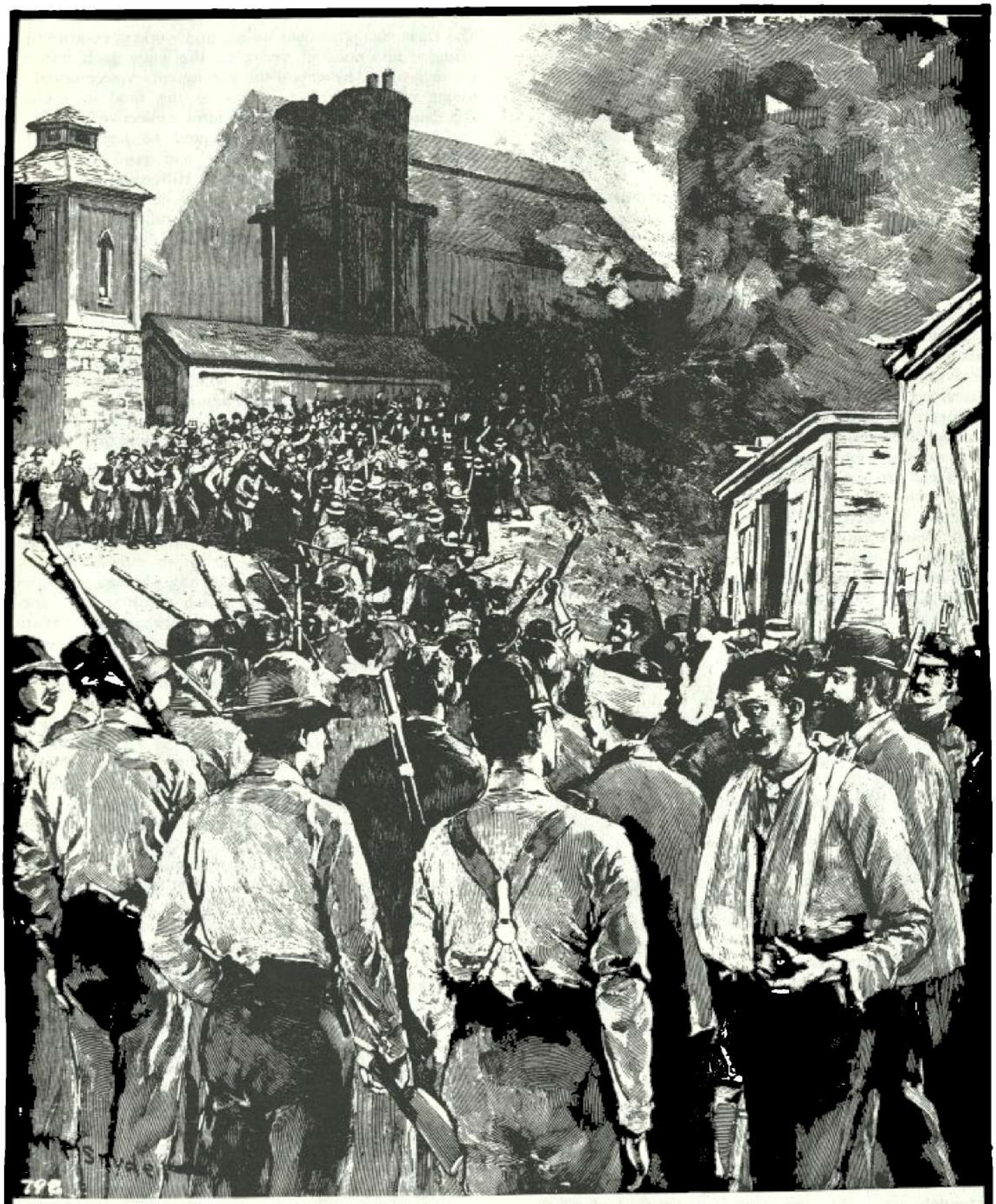
In any case, the social transformation was cast into the far-away future and played no part in the every-day activity of the labor movement. Capitalism would have to run its course, not only in the already highly developed capitalist nations but even in those just in the process of evolving the capitalist relations of production. It remained true, of course, that devastating crises interrupted the steady capitalization of the world economy, but like the social miseries accompanying the early stages of capital production, its susceptibility to crises and depressions was now also adjudged a mark of its infantility which would be lost in its maturing process. With the concentration and centralization of capital by way of competition, competition itself would be progressively eliminated and with it the anarchy of the capitalist market. Centralized control of the economy on a national and, eventually, international scale, would allow for conscious social regulation of both production and distribution and create the objective conditions for a planned economy no longer subject to regulation by the law of value.

This idea was forcefully expressed by Rudolf Hilferding, whose economic writings were widely regarded as a continuation of Marx's *Capital*.(3) Leaning heavily on the work of M.I. Tugan-Baranowsky, who deduced from the "equilibrium conditions" of Marx's reproduction schemata (in the second volume of *Capital*) the theoretical feasibility of a limitless expansion of capital,(4) Hilferding saw this possibility still very much impaired by difficulties in the capitalistic circulation process which hindered the full realization of surplus-value. He perceived the capital concentration process in the course of accumulation as a merging of banking capital with industrial capital to create a form of capital best described as "financial capital." It implied the progressive cartellization of capital, tending towards a single General Cartel, which would gain complete control over the state and the economy. As the progressive elimination of competition meant an increasing disturbance of the objective price relations, this would mean, of course, that the price mechanism of classical theory would cease to be operative and that the law of value would therefore be unable to serve as the regulator of the capitalist economy.

We are here not interested in Hilferding's rather confused theory of crisis as a problem of the realization of surplus-value, due to disproportionalities between the different spheres of production and between production and consumption, because in his view these difficulties do not arrest the trend towards the complete cartellization of the capitalist economy.(5) With the coming to pass of the General Cartel, prices would be consciously determined so as to assure the system's viability. They would no longer express value relations but the consciously organized distribution of the social product in terms of products. Under such conditions, money as the universal and most general form of value could be eliminated. The continuing social antagonisms would no longer arise from the system of production, which would be completely socialized, but exclusively from that of distribution, which would retain its class character. In this fashion capitalism would be overcome through its own development; the anarchy of production and that type of capitalism analyzed by Marx in *Capital* would be ended. The expropriation of capital or, what is the same, the socialization of production, will thus be capitalism's own accomplishment.

Of course, like Marx's "logical" end-result of the capitalist accumulation process, the concept of the General Cartel merely serves to illustrate the trend of the concrete capitalistic development. But while in Marx's model capitalism finds an inevitable end in decreasing profitability, Hilferding's General Cartel points to an "economically conceivable" capitalist system able to maintain itself indefinitely through the control of the whole of social production. If capitalism tends towards collapse, this is not for economic reasons, but must be seen as a political process and depends on the conscious resolutions to extend the capitalistically achieved socialization of production into the sphere of distribution. Such a transformation is possible only through a sudden political change, which transfers control of production from the hands of the cartellized private capital into those of the state. Thus this transformation requires the socialist capture of political power within the otherwise unchanged production relations.

Such a development seems conceivable because of the constant growth of socialist organization, striving for political power within bourgeois democracy and able to win the allegiance of always larger masses of the electorate, which could finally lead to a socialist parliamentary majority and to the control of government. The socialist state would then institute socialism by decree, through the nationalization, or — what is thought to be the same — the socialization of the decisive branches of industry. This would suffice to extend the



THE HOMESTEAD RIOT.—Drawn by W. P. Snyder after a Photograph by Dabbs, Pittsburg.—[See Page 678.]

The Pinkerton men leaving the barges after the surrender.

socialist type of production and distribution gradually to the whole society. Due to capitalism's specific form as financial capital, Hilferding suggested that it would be enough to nationalize the larger banks to initiate the socialist transformation. With this, the economic dictatorship of capital would be turned into what Hilferding — in deference to Marx and Engels — calls the "dictatorship of the proletariat."

All this would of course depend on the persistence of the political institutions of bourgeois democracy and the labor movement's fidelity to its socialist ideology. Would the bourgeoisie honor the parliamentary game when finding itself on the losing side? Would the character of the socialist movement remain the same despite its increasing influence and organizational power within the capitalist regime? Even apart from such unasked questions, it is clear that if there is no "economically conceivable" end to capitalism, why should there arise a political opportunity for its abolition? An economically secure capitalism would guarantee its political security. Moreover, if capitalism socializes the production process on its own, this "socialization" includes the maintenance of the social production relations as class relations, to be carried over into the nationalized form of social production. Indeed, in Hilferding's exposition, the change from private to governmental control does not affect the relation between wage-labor and capital, except in so far as economic control is transferred from the bourgeoisie to the state apparatus. Socialism, in his view, means then the completion of the centralization process inherent in competitive capital expansion, the transformation of private into "social" capital and its control by the state, and therewith the possibility for centrally planned production, which would be distinguished from organized capitalism by allowing for a more equitable distribution.

The theoretical progress made in the socialist movement since its beginnings within the incomplete bourgeois revolution consisted then in the assertion that, just as the socialist movement fostered capitalist development, fully developed capitalism and bourgeois democracy were now opening the way to socialism. If the worker, for historical reasons, and however reluctantly, aided the rise of democratic capitalism, this very same capitalism was now preparing with equal reluctance, but unavoidably, the conditions for a socialist transformation. The development of wage labor and capital was then a reciprocal evolution, in which both workers and capitalists functioned as precursors of socialism through the accumulation of capital. All that was necessary in order to play an active part in this historical process was to increase the general awareness of its happening so as to hasten its completion.

For Hilferding capitalism had already reached its highest stage of development. Notwithstanding the imperialist war and the revolutions in its wake, the prevailing "late capitalism" was for him an organized capitalism, no longer determined by "economic laws" but by political considerations. The capitalist principle of competition was making room for the socialist planning principle through state interventions in the economy. The class struggles over wages and working conditions changed into political struggles, the wage itself into a political wage, by way of the parliamentary accomplishments of the socialist parties in the field of social legislation, such as arbitration laws, collective bargaining, unemployment insurance, and so forth, which augmented the "economic wage" and freed it from its value determination. According to Hilferding, the state was simply not, as Marx had called it, the "executive committee of the ruling class," but reflected, through the medium of political parties, the changing power relations between different classes — all of them sharing in state power. The workers' class struggle turns into a fight for the determination of social policy and, finally, for the control of the state. It is historically wrong, Hilferding related, to speak of "bourgeois democracy," or of "formal democracy," because democracy belongs to none but the working class, which first had made it a reality through its struggle against the bourgeoisie. Through democracy the workers will gain the government, the army, the police, the judiciary and thus realize their longing for a socialist society.(6)

In view of the actual course of events, Hilferding's rationalization of the pro-capitalist policies of the socialist parties seems to be of no interest at all. The "democratic road to socialism" led directly to the fascist dictatorships and to Hilferding's own miserable end. However, his concept of socialism as a planned economy under governmental control, which assumes the functions previously exercised by the centralized but private capital, characterizes almost all of the existing images of a socialist society.

As Marx stopped his analysis short of the expected overthrow of the capitalist system and, aside from occasional very general remarks about the basic character of the new society, left the construction of socialism to the future, so Hilferding stopped short at capitalism's "last stage," without entering into a more detailed investigation of the problems of the transformation of "organized capitalism" into the socialist organization of society. His party colleague Karl Kautsky, however, as the most eminent of Marxists after Marx and Engels, felt obliged to offer some speculations about the possible post-revolutionary situation.(7) He, too, saw the "expropriation of the expropriators" in the completion of society's democratization, to be accomplished by the working class. The immediate measures to be taken were for him those democratic goals the bourgeoisie itself had failed to bring about; that is, the unrestricted vote, a free press, separation of church and state, disarmament, the replacement of the army by a militia, and progressive taxation. Because class relations had existed for thousands of years and were still deeply ingrained in human consciousness, Kautsky felt that they could not be overcome all at once. Only equality in education will gradually do away with class prejudices. Most of all, however, unemployment must be abolished through a system of unemployment insurance which would raise the market value of labor power. Wages would rise and profits diminish or disappear altogether. There would be no need then to chase the capitalists

away from their leading position in industry because under the changed conditions the bourgeoisie would most likely prefer to sell their property rights, recognizing that political power in the hands of the working class is incompatible with a capitalist mode of production.

A jest on the part of Marx, to the effect that perhaps the cheapest way to socialism would be the buying-out of the capitalists, Kautsky elevated into a political program. But who would buy the capitalist property? Part of it, Kautsky related, could be bought by the workers themselves, other parts by co-operatives, and the rest by governmental agencies on the local and national level. The big monopolies, however, could be expropriated outright as detrimental to all social classes, including the smaller capitalists. And because the monopolies constitute such a large part of the economy, their expropriation would enhance the otherwise more gradual transformation of private into public property. It would also allow for a conscious regulation of production and thus end its determination by value relations. Although labor-time calculation will continue to *aid* the formation of prices, it will no longer *rule* production and distribution. Money, too, will lose its commodity and capital character by being reduced to a mere means of circulation. The continued utilization of prices and money implies of course the continuation of the wage system, even though wages would no longer reflect supply-and-demand in the labor market. There will also be wage differentials in order to facilitate the allocation of the social labor, which will not, however, prevent a general rise of all wages. Of course, capital must be accumulated and compensations will have to be paid for the loss of the property rights of the capitalists. Taxes must also be raised for the various and enlarged state functions. For all these reasons, productivity must be increased beyond the level achieved in the old capitalism, so as to make a higher living standard possible.

Although preferring compensation for the loss of the capitalists' property, Katusky is not sure that this will actually be done, but leaves this issue for the future to decide. He realizes that with compensation surplus-value, once directly extracted by the capitalists, would still fall to them in terms of claims on the government. However, this extra expense will disappear with the accumulation of additional capital, thus ending the continued exploitation. Besides, Kautsky remarks slyly, if capitalist property exists only in the form of claims on the new public owners, this unearned income can be easily taxed away. Compensation would after all amount to confiscation, albeit in a less brutal form.

The watchword of socialism is, then, more work and higher productivity. In this respect, according to Kautsky, socialists could learn a lot from the production methods of the large American corporations. What is more, these methods, as yet limited to the gigantic trusts, could be even more effective when extended to the whole of society. The socialist organization of production is thus well prepared by capitalism and need not be newly invented. The only requirement is to change the accidental and anarchic character of capitalist production into a consciously regulated production concerned with social needs.

Kautsky's exceedingly tame vision of the state of the future and its relation to the socialist economy was still considered by the right-wing socialists as unwarranted and even dangerous, a threat to the steady progress of the social-democratic movement. They envisioned this progress in terms of a pure trade unionism of the British and American type, and a pure parliamentarism, which would enable the party to enter into coalitions with bourgeois parties and, sooner or later, perhaps, into government positions. To that end, the Marxist ideology would have to be sacrificed in favor of such evolutionary principles as those propounded by Eduard Bernstein. But Kautsky was the leading Marxist authority and quite unwilling to denounce the Marxist heritage. He was also impressed by the 1905 revolutionary upheavals in Russia and by the great mass strikes that occurred around the same time in a number of European countries. A socialist revolution appeared to him, while not an immediate, nevertheless a future possibility. In this spirit, he wrote his most radical work, *The Road to Power*, against the pure reformism which actuated the socialist parties.(8)

Socialism and its presupposition, political power in the hands of the proletarian state — Kautsky wrote in this work — could not be reached by an imperceptible, gradual, and peaceful transformation of capitalism through social reforms, but only in the manner foreseen by Marx. State power must be conquered. On this point there existed an affinity between the ideas of Marx and Engels and those of Blanqui, with the sole difference that while the latter relied on the *coup d'état*, executed by a minority, Marx and Engels looked to revolutionary actions by the broad masses of the working class — the only revolutionary force in modern capitalism — to lead to a proletarian state, that is, to the dictatorship of the proletariat.

Kautsky's insistence upon the revolutionary content of the labor movement led to a division of the socialist party, in a general way, into an "orthodox" and a "revisionist" wing, whereby the first seemingly dominated ideologically while the other determined the actual practice. Of course, this division was not peculiar to German social-democracy but, via the Second International, played a part in all socialist organizations. In addition, there were other movements opposing Marxist theory and practice, such as the anarcho-communists, the syndicalists, and the apolitical labor movements in the Anglo-Saxon countries. But it was the Marxist movement which the bourgeoisie recognized as the most important threat to its rule, for it had developed an effective counter-ideology able to subvert the capitalist system. In any case, the success of the apparently "Marxist" revolution in Russia in 1917, its repercussions in the Central European nations and, finally, the subsequent division of the world into capitalist and "socialist" countries, led to a situation wherein any kind of social upheaval, in any part of the world, received and still receives the label of "Marxism."

At this point, however, we are still dealing with the

pre-revolutionary socialist movement, which found in Hilferding and Kautsky its most exemplary spokesmen. It was their interpretation of Marxism, in the light of changed social conditions, which dominated the socialist ideology. For both, socialism implied the capture of political power thorugh the conquest of the state, either by an evolutionary or a revolutionary process. For both of them, too, capitalism had prepared the ground for a socialist system of production. All that remained to be done was to remove the value determination of capitalist production, its subjugation to the commodity fetishism of the competitive market, and to organize production and distribution in accordance with the ascertainable needs of society.

It is of course true that Marx and Engels acknowledged the obvious, namely, that the overthrow of capitalism demands the overthrow of its state. For them, the political aspect of the proletarian revolution exhausted itself in overwhelming the capitalist state apparatus with all the means required to this end. The victorious working class would neither institute a new state, nor seize control of the existing state, but exercise its dictatorship so as to be able to realize its *real goal*, the appropriation of the means of production and their irrevocable transformation into social means of production in the most literal sense, that is, as under the control of the association of free and equal producers. Although assuming functions previously associated with those of the state, this dictatorship is not to become a new state, but a means to the elimination of all suppressive measures through the ending of class relations. There is no room for a "socialist state" in socialism, even though there is the need for a central direction of the socialized economy, which, however, is itself a part of the organization of the associated producers and not an independent entity set against them.

Of course, for reasons not as yet discernible, this might be altogether utopian, as thus would be a socialist society in the Marxian sense. It has to be tried in a revolutionary situation if a serious effort is to be made to reach the classless society. It may be forced upon the workers by objective conditions, quite aside from whether or not they understand all its implications. But it may also fail, if the proletariat abdicates its own dictatorship to a separately-organized new state machine which usurps control over society. It is also not possible to foresee under what particular concrete social conditions the revolutionary process might unfold, and whether or not the mere extension and intensification of dictatorial rule will degenerate into a new state assuming independent powers. Whatever the case may be, it is not through the state that socialism can be realized, as this would exclude the self-determination of the working class which is the essence of socialism. State rule would perpetuate the divorce of the workers from the means of production, on which their dependence and exploitation rests, and thus also perpetuate social class relations.

However, it was precisely the attempt to overcome the apparently utopian elements of Marxian doctrine which induced the theoreticians of the Second International to insist upon the state as the instrument for the realization of socialism. Although they were divided on the question as to how to achieve control of the state, they were united in their conviction that the organization of the new society is the state's responsibility. It was their sense of reality that made them question Marx's abstract concepts of the revolution and the construction of socialism, bringing these ideas down to earth and in closer relation to the concretely given possibilities.

Indeed, the construction of a socialist system is no doubt a most formidable undertaking. Even to think about it was already of a bewildering complexity defying easy or convincing solutions. It certainly seemed to be out of reach for the relatively uneducated working class. It would require the greatest expertise in the understanding and management of social phenomena and the most careful approach to all reorganizational problems, if it was not to end in dismal failure. It demanded an over-all view of social needs, as well as special qualifications for those attending to them, and thus institutions designed to assure the social reproduction process. Such institutions must have enough authority to withstand all irrational objectives and must therefore have the support of government which, by sanctioning these decisions, makes them its own. Most of all, the even flow of production must not be interfered with, and all unnecessary experimentation must be avoided, so that it would be best to continue with proven methods of production and the production relations on which they were based.

In Marxian theory, a period of social revolution ensues when the existing social relations of production become a hindrance to the utilization and further development of the social forces of production. It is by a change of the social relations of production that the hampered social powers of production find their release. Their further expansion might, *but need not*, require a quantitative increase of productive capacity through science and technological development, as the mere change from a value-determined system of production to one based on consideration of concrete social needs already implies an enormous increase in the social power of production. By ending the drive to "accumulate for the sake of accumulation" and with it the various restrictions due to this type of abstract wealth production, the available productive power of social labor is set free in a qualitatively different system of production geared to the rationally considered needs of society.

In capitalism, the productive forces of social labor, which appear as the productive power of capital, limit their own expansion through the decrease of surplus-value in the course of capital accumulation. The application of science and technology merely hasten this process and become themselves barriers to the formation of capital. But without this formation, production must decline even with respect to the capitalistically-determined social needs, first with respect to the enlarged reproduction of capital, and then also with regard to simple reproduction, which would mean the end of the capitalist system. Concretely, the process takes the form not only of recurrent periods of

depressions and a long-term trend of economic decline, but also of capitalism's inability to avail itself even of the productive forces developed during its relentless drive for surplus-value. Part of the existing productive forces are such only potentially, as they fail to increase the profitability of capital in sufficient measure, or at all, and for that reason are not employed. In economic terms, constant and variable capital remains idle because, if not used capitalistically, they cannot be used at all. Their full utilization would require a change in the relations of production which would disencumber social production from its dependence on the creation of surplus-value.

Because the capitalistic increase of the social powers of production has the form of the accumulation of capital, science and technology serve this particular brand of social development and not the latter as such. And because science and technology are limitless in every direction, they can change their direction through a change of social structure, away from its need to accumulate capital, to the real production and consumption requirements of a society not only "socialized" in the limited sense that its development is determined by the interdependence of the separated commodity producers, but in a truly social sense implying the prevention of special private or class interests from interfering in the consciously recognized needs of society as a whole. Science and technology would move in different directions than those required by capitalist society.

Moreover, although an expression of the rapid accumulation of capital, its increasing monopolization implies the monopolization of science and technology and their subordination to the specific interests of the centralized capitals. This hinders the increase of productivity in the remaining competitive sectors of the economy and prevents the growth of the social forces of production in capitalistically underdeveloped nations, except in so far as this may suit the special interests of the centralized capitals in the dominating capitalist countries. Finally, the monopolization of the world market plays the bulk of the surplus-value produced world-wide into the hands of a diminishing number of internationally operating capitals, at the price of the increasing pauperization of the world's population. At the same time, the national form of capital production prevents its internationalization for an all-round expansion of the social forces of production, which would require consideration of the real needs of the world population within the framework of a socialized world economy. Unable to proceed in this direction, the increasing productive power of capital turns into a destructive power, which today threatens not only the setbacks of new and world-wide wars, but the destruction of the world itself. Under these conditions, the capitalist system has ceased to be a vehicle for the growth of the social forces of production. It merely provides the stage for the change of social relations which is the precondition for the resumption of the civilizing process of social labor.

For the theoreticians of the Second International, too, socialism meant a change of the social relations of production, but they saw this change not in the abolition of wage-labor but in the sudden or gradual transformation of private into social capital under the auspices of the state. It is true that they also spoke of the end of wage labor, but this implied no more than the negative act of the state's expropriation of capital, which would presumably and automatically change the social status of the laboring class. It did not enter their minds that the workers themselves would have to take possession of the means of production and that they themselves must determine the conditions of production, the allocation of social labor, the priorities of production, and the distribution of the social product, through the creation of organizational forms which could assure that decision-making powers would remain in the hands of the actual producers. In the statist conception of socialism it is not the working class itself which rearranges society. This is done for it, through the substitution for it of a special social group, organized as the state, which imagines that by this token it removes the stigma of exploitation from wage labor.

On the whole, it is of course true that the socialist workers themselves shared this concept with their leaders and assumed that the act of socialization would be a function of government. This turned out to be an illusion, but an illusion which had been systematically indoctrinated into the working class. The indoctrination was successful because the procedure it predicted appeared logical in view of the centralizing tendencies of capitalist production and the democratic form of bourgeois politics. The great difference between capitalism and socialism was thus perceived as the mere elimination of the private-property character of capital, or as the complete monopolizatin of capital under centralized government control, which would serve no longer the specific interests of the capitalist class but the whole of society. But to that end, the state would have to regulate production and thus the labor process, which, under these conditions, seemed feasible only through the maintenance of wage labor.

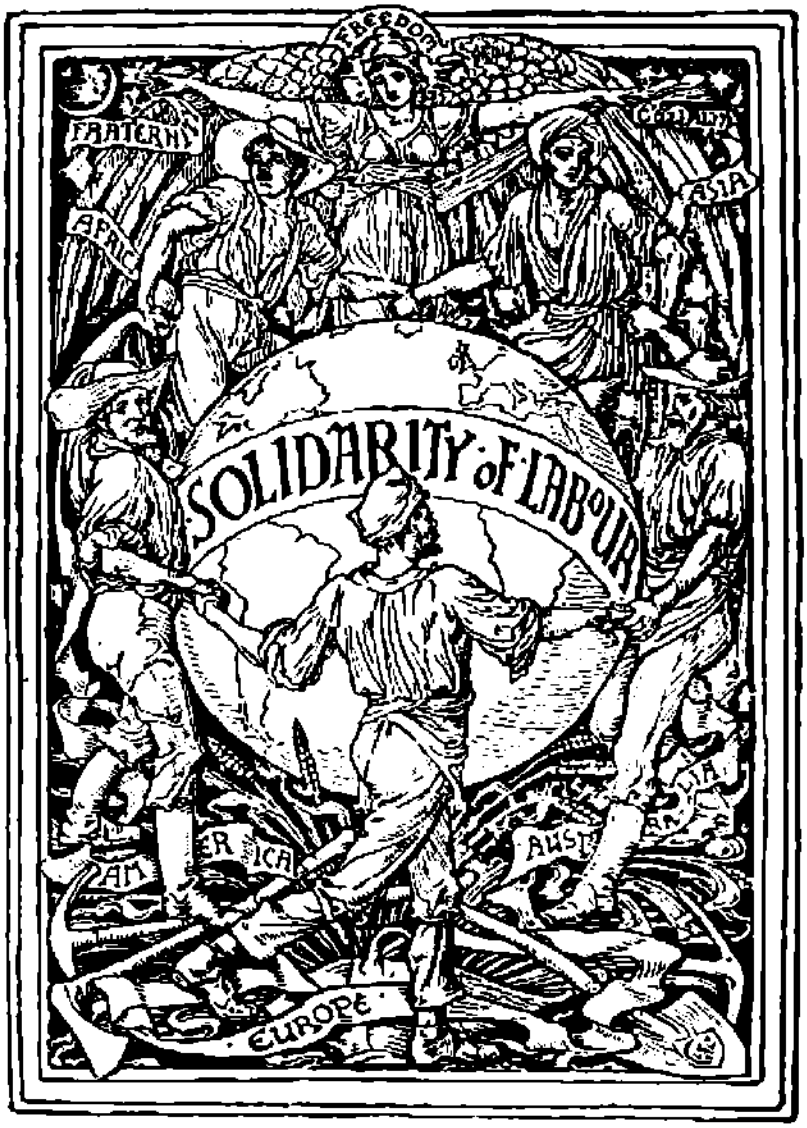
However, wage labor is only the other side of the capital-labor relation that characterizes capitalist society and determines its productive powers. The complete monopolization of capital does do away, at least ideally, with competitive market relations and does allow for a measure of conscious control of the economy, and thus impairs or ends the value-determination of social production. This may or may not increase the powers of social labor, but it leaves the capitalist relations of production intact. The socialization of production remains incomplete, as it does not affect the social relations of production. The removal of the fetishism of commodity production through its conscious control also removes the fetishiatic character of wage labor but not wage labor itself. It continues to express the lack of social power on the part of the working class and its centralization into the hand of the controlling state. The capital-labor relation has been modified but not abolished; there has been social revolution but not a working-class revolution.

1981

NOTES

1. *Capital*, Kerr ed. Vol. I, p. 836.
2. K. Marx, *A Contribution to the Critique of Political Economy*, Kerr Ed., p. 12.
3. *Das Finanzkapital*, 1909. English trans. *Finance Capital* (London, 1981).
4. *Studien zur Theorie und Deschichte der Handelskrisen*, 1901. *Theoretisch Grundlagen des Marxismus*, 1905.
5. Actually, Hilferding has no crisis theory; he merely describes the differences in market conditions which distinguish periods of prosperity from those of depressions. Insofar as he attempts an explanation, it is clearly self-contradictory. On the one hand, he maintains with Marx, that the cause of crisis must be looked for in the sphere of production, in the recurring difficulty of producing the surplus-value necessary for a further profitable expansion of capital; and on the other hand, he speaks for a lack of coordination between the expanding capital and the growing consumption, which disturbs the supply and demand relations in terms of prices, thereby impairing the realization of the produced surplus-value. Besides this particular disproportionality, Hilferding mentions a number of others, such as may arise between the fixed and the circulating capital; between the technical and value relations of production; between the functions of money as a hoard and as medium of exchange; between unequal changes in the turnover of the different capital entities, and so forth.

Although Hilferding refers to the law of the falling rate of profit in the course of the rising organic composition of capital, and for that reason rejects the popular underconsumption theories, he asserts nevertheless that the differences in the organic composition of the diverse capital display themselves in arising discrepancies between production and consumption in terms of price relations. He forgets that it is the general, or average, rate of profit which regulates the prices of production, regardless of differences in the organic compositions of the individual capitals, and that it is the accumulation process itself which allocates social labor in favor of a more rapid growth of the constant capital. However, searching for the cause of crisis in the circulation process, Hilferding speaks of a difference between market prices and the prices of production. He says, in other words, that some capitalists realize profits beyond that contained in the price of production, while others realize correspondingly less than the profit implied in the price of production, as determined by the organic composition of the total social capital. This implies, of course, an impairment of the function of the average rate of profit as a result of the increasing monopolization of capital, which, however, does not alter the size of the total social profit, or surplus-value, with respect to the accumulation requirements of the total social capital on which Marx's crisis theory is based. Whereas in Marx's theory the value relations regulate the price relations, in Hilferding's interpretation, the actual price relations disrupt the regulatory force of the value relations because prices do not register the value requirements for the equilibrium conditions of the expanded reproduction of capital.
6. In a speech delivered at the Socialdemocratic Party Congress in Kiel, 1927. *Protokoll der Verhandlungen des sozialdemokratischen Parteitages* 1927 in Kiel, Berlin, 1927, S. 165-224.
7. Karl Kautsky, *The Day after the Social Revolution*, 1906.
8. Karl Kautsky, *Der Weg zur Macht*, 1910.



Zur ersten Maifeier 1890 — Holzschnitt von Walter Crane

MARXISM – YESTERDAY, TODAY AND TOMORROW

In Marx's conception changes in people's social and material conditions will alter their consciousness. This also holds for Marxism and its historical development. Marxism began as a theory of class struggle based on the specific social relations of capitalist production. But while its analysis of the social contradictions inherent in capitalist production has reference to the general trend of capitalist development, the class struggle is a day-to-day affair and adjusts itself to changing social conditions. These adjustments find their reflection in Marxian ideology. The history of capitalism is thus also the history of Marxism.

The labor movement preceded Marxian theory and provided the actual basis for its development. Marxism became the dominating theory of the socialist movement because it was able convincingly to reveal the exploitative structure of capitalist society and simultaneously to uncover the historical limitations of this particular mode of production. The secret of capitalism's vast development — that is, the constantly increasing exploitation of labor-power — was also the secret of the various difficulties that pointed to its eventual demise. Marx's *Capital*, employing the methods of scientific analysis, was able to proffer a theory which synthesized the class struggle and the general contradictions of capital production.

Marx's critique of political economy was necessarily as abstract as political economy itself. It could deal only with the general trend of capitalist development, not with its manifold concrete manifestations at any particular time. Because the accumulation of capital is at once the cause of the system's unfolding and the reason for its decline, capitalist production proceeds as a cyclical process of expansion and contraction. These two situations imply different social conditions and therefore different reactions on the part of both labor and capital. To be sure, the general trend of capitalist development involves the increasing difficulty of escaping a period of contraction by a further expansion of capital and thus a tendency toward the system's collapse. But it is not possible to say at what particular point of its development capital will disintegrate through the objective impossibility of continuing its accumulation process.

Capital production, implying the absence of any kind of conscious social regulation of production, finds some kind of blind regulation in the supply and demand mechanism of the market. The latter, in turn, adapts itself to the expansion requirements of capital as determined, on the one hand, by the changing exploitability of labor-power and, on the other hand, by the alteration of the capital structure due to the accumulation of capital. The particular entities involved in this process are not empirically discernable, so that it is impossible to determine whether or not a particular crisis of capital production will be of longer or shorter duration, be more or less devastating as regards social conditions, or prove to be the final crisis of the capitalist system by provoking a revolutionary resolution through the action of an aroused working class.

In principle, any prolonged and deep-going crisis may release a revolutionary situation which may intensify the class struggle to the point of the overthrow of capitalism — provided, of course, that the objective conditions bring forth a subjective readiness to change the social relations of production. In the early Marxist movement, this was seen as a realistic possibility, due to the fact of a growing socialist movement and the extension of the class struggle within the capitalist system. The development of the latter was thought to be paralleled by the development of proletarian class consciousness, the rise of working-class organizations, and the spreading recognition that there was an alternative to capitalist society.

The theory and practice of the class struggle was seen as a unitary phenomenon, due to the self-expansion and the attendent self-limitation of capitalist development. It was thought that the increasing exploitation of labor and the progressive polarization of society between a small minority of exploiters and a vast mass of exploited would raise the workers' class consciousness and thus their revolutionary inclination to destroy the capitalist system. Indeed, the social conditions of that time allowed for no other perspective, as the unfolding of industrial capitalism was accompanied by increasing misery of the laboring classes and a noticeable sharpening of the class struggle. Still, this was merely a perspective afforded by those conditions which did not as yet reveal the possibility of another course of events.

Although interrupted by periods of crisis and depression, capitalism has been able to maintain itself until now by a continuous expansion of capital and its extension into space through the acceleration of the increase in the productivity of labor. It proved possible not only to regain a temporarily lost profitability but to increase it sufficiently both to continue the accumulation process and to improve the living standards of the great

bulk of the laboring population. The successful expansion of capital and the amelioration of the conditions of the workers led to a spreading doubt regarding the validity of Marx's abstract theory of capitalist development. Empirical reality in fact seemed to contradict Marx's expectations with regard to capitalism's future. Even where this theory was maintained, it was no longer associated with a practice ideoloically aimed at the overthrow of capitalism. Revolutionary Marxism turned into an evolutionary theory, expressing the wish to transcend the capitalist system by way of constant reform of its political and economic institutions. Marxian revisionism, in both overt and covert form, led to a kind of synthesis of Marxism and bourgeois ideology, as a theoretical corollary to the practical integration of the labor movement into the capitalist society.

However, not too much should be made of this, for the organized labor movement has at all times comprised only the smaller portion of the laboring class. The great mass of workers acclimatizes itself to the ruling bourgeois ideology and — subject to the objective conditions of capitalism — constitutes a revolutinary class only potentially. It may become revolutionary by force of circumstances which overrule the limitations of its ideological awareness and thus offer its class-conscious part an opportunity to turn potentiality into actuality through its revolutionary example. This function of the class-conscious part of the working class was lost through its integration into the capitalist system. Marxism became an increasingly more ambiguous doctrine, serving purposes different from those initially contemplated.

All this is history: specifically, the history of the Second International, which revealed that its apparently Marxist orientation was merely the false ideology of a non-revolutionary practice. This hd nothing to do with a "betrayal" of Marxism, but was the result of capitalism's rapid ascendancy and increasing power, which induced the labor movement to adapt itself to the changing conditions of capital production. As an overthrow of the system seemed impossible, the modifications of capitalism determined those of the labor movement. As a reform movement, tbe latter partook of the reforms of capitalism based on the increasing productivity of labor and the competitive imperialistic expansion of the nationally-organized capitals. The class struggle turned into class collaboration.

Under these changed conditions, Marxism, in so far as it was not altogether rejected or re-interpreted into its opposite, took on a purely ideological form which did not affect the pro-capitalist practice of the labor movement. As such, it could exist side by side with other ideologies competing for allegiance. It no longer represented the consciousness of a workers' movement out to overthrow the existing society, but a world-view supposedly based on the social science of political economy. With this it became a concern of the more critical elements of the middle class, allied with, but not part of, the working class. This was merely the concretization of the already accomplished division between the Marxian theory and the actual practice of the labor movement.

It is of course true that socialist ideas were first and mainly — though not only — propounded by members of the middle class who had been disturbed by the inhuman social condtions of early capitalism. It was these conditions, not the level of their intelligence, which turned their attention to social change and therewith to the working class. It is then not surprising that the capitalistic improvements at the turn of the century should mellow their critical acumen, and this all the more as the working class itself had lost most of its oppositional fervor. Marxism became a preoccupation of intellectuals and took on an academic character. It was no longer predominantly approached as a movement of workers but as a scientific problem to be argued about. Yet the disputes around the various issues raised by Marxism served to mintain the illusion of the Marxian nature of the labor movement until it was dispelled by the realities of the first world war.

This war, which represented a gigantic crisis of capital production, led to a shortlived revival of radicalism in the labor movement and in the working class at large. To this extent it heralded a return to Marxian theory and practice. But it was only in Russia that the social upheavals went so far as to lead to the overthrow of the backward, half-feudal capitalist regime. Nonetheless, this was the first time that a capitalist regime has been ended through the actions of its oppressed population and the determination of a Marxist movement. The dead Marxism of the Second International seemed due for replacement by the living Marxism of the Third International. And because it was the Bolshevik Party, under Lenin's guidance, which turned the Russian into a social revolution, it was Lenin's particular interpretation of Marxism which became the Marxism of the new and "last" stage of capitalism. This Marxism has quite justly been amended into the "Marxism-Leninism" which has dominated the post-war world.

This is not the place to reiterate the history of the Third International and the type of Marxism it brought forth. This story is well documented in countless publications, which either place the blame for its collapse upon Stalin's shoulders or trace it back to Lenin himself. The fact is that the concept of world revolution could not be realized and that the Russian Revolution remained a national revolution and therefore bound to the realities of its own socio-economic conditions. In its isolation, it could not be adjudged a socialist revolution in the Marxian sense, for it lacked all the preconditions for a socialist transformation of society — that is, the dominance of the industrial proletariat and a productive apparatus which, in the hands of the producers, could not only end exploitation but at the same time drive society beyond the confines of the capitalist system. As things were, Marxism could only provide the ideology supporting, even while contradicting, the reality of state-capitalism. In other words, as in the Second International, so also in its successor, subordinated as it was to the special interests of Bolshevik Russia, Marxism could only function as an ideology to cover up a

non-revolutionary and finally a counter-revolutionary practice.

In the absence of a revolutionary movement, the Great Depression, affectng the world at large, issued not into revolutionary upheavals but into fascism and the second world war. This meant the total eclipse of Marxism. The aftermath of the new war initiated a fresh wave of capitalist expansion on an international scale. Not only did monopoly capital emerge strengthened from the conflict but also new state-capitalist systems arose by way of either national liberation or imperialistic conquest This situation involved not a reemergence of revolutionary Marxism but the "cold war," that is, the confrontation of differently organized capitalist systems in a continuing struggle for spheres of interest and shares of exploitation. On the side of state-capitalism, this confrontation was camouflaged as a Marxist movement against the capitalist monopolization of the world economy, while private-property capitalism was only too glad to identify its state-capitalist enemies as Marxists, or communists, bent on destroying with the freedom to amass capital all the liberties of civilization. This attitude served to attach the label Marxism firmly to the state-capitalist ideology.

Thus the changes brought about by a series of depressions and wars led not to a confrontation between capitalism and socialism, but to a division of the world into more or less centrally-controlled economic systems and to a widening of the gap between capitalistically developed and underdeveloped nations. It is true that this division is generally seen as one between capitalist, socialist and "third world" countries, but this is a misleading simplification of rather more complex differentiations between these economic and political systems. "Socialism" is falsely but commonly understood as meaning a state-controlled economy within the national framework, in which planning replaces competition. Such a system is no longer capitalism in the traditional sense, but neither is it socialism in the Marxian sense of an association of free and equal producers. Functioning in a capitalistic and therefore imperialistic world, it cannot help partaking in the general competition for economic and political power, and like capitalism, must either expand or contract. It must grow stronger in every respect in order to limit the expansion of monopoly capital by which it would otherwise be destroyed. The national form of so-called socialist or state-controlled regimes sets them in conflict not only with the traditional capitalist world, or particular capitalist nations, but also with each other; they must give first consideration to national interests, i.e. to the interests of the newly emerging and priviledged ruling strate, whose existence and security are based on the national state. This leads to the spectacle of a "socialist" brand of imperialism and the threat of war between nominally socialist countries.

Such a situation was inconceivable in 1917. Leninism, or, in Stalin's phrase "the Marxism of the age of imperialism," expected a world revolution on the model of the Russian revolution. Just as in Russia different classes had combined to overthrow the autocracy, so also an international scale nations at various stages of develoment might fight against the common enemy, imperialist monopoly capital. And just as in Russia it was the working class, under the leadership of the Bolshevik Party, which transformed the bourgeois into proletarian revolution, so the Communist International would be the instrument to transform anti-imperialist struggles into socialist revolutions. Under these conditions, it was conceivable that the less developed nations might bypass an otherwise inevitable capitalist development and be integrated into an emerging socialist world. Based on the presupposition of successful socialist revolutions in the advanced nations, this theory could neither be proven right nor wrong, as the expected revolutions did not materialize.

What is of interest in this context are the revolutionary inclinations of the Bolshevik movement prior to and shortly after its assumption of power in Russia. Its revolution was made in the name of revolutionary Marxism, its political and military overthrow of the capitalist system and the establishment of a dictatorship were to assure the transformation to a class-less society. However, even at this stage, and not only because of the particular conditions prevailing in Russia, the Leninist concept of socialist reconstruction deviated from the notions of early Marxism and was based instead on those evolved within the Second Internatinal. For the latter, socialism was conceived as the automatic outgrowth of the capitalist development itself. The concentration and centralization of capital imlied the progressive elimination of capital competition and therewith of its private-property nature, until an emerging socialist government, as the result of the democratic parliamentary process, would transform monopoly capital into the monopoly of the state and thus initiate socialism by governmental decree. Although to Lenin and the Bolsheviks this seemed an unrealizable utopia as well as a foul excuse for abstaining from any kind of revolutionary activity, they too thought of the institution of socialism as a governmental concern, though to be carried out by way of revolution. They differed with the social democrats wih regard to the means to reach the otherwise common goal, the nationalization of capital by the state and the centralized planning of the economy.

Lenin also agreed with Karl Kautsky's philistine and arrogant assertion that the working class by itself is unable to evolve a revolutionary consciousness, which had to be brought to it from the outside by the middle-class intelligentsia. The organizational form of this idea was the revolutionary party as the vanguard of the workers and as the necessary presuppostion of a successful revolution. If, in this view, the working class is incapable of making its own revolution, it will even less be able to build up the new society, an undertaking reserved for the leading party as the possessor of the state apparatus. The dictatorship of the proletariat appears thus as that of the party organized as the state. And because the state has to have control over the whole society, it must also control the actions of the working class, even though this control is supposed to be

exercised in its favor. In practice, this turned out to be the totalitarian rule of the Bolshevik government.

The nationalization of the means of production and the authoritarian rule of government certainly differentiated the Bolshevik system from that of Western capitalism. But this did not alter the social relations of production which, in both systems, are based on the divorce of the workers from the means of production and the monopolization of political power in the hands of the state. It was no longer private capital but state-controlled capital which now opposed the working class and perpetuated the wage-labor form of productive activity, while allowing for the appropriation of surplus-labor through the agency of the state. Though the system expropriated private capital, it did not abolish the capital-labor relationship upon which modern class rule rests. It was then merely a question of time before the emergence of a new ruling class whose privileges depend precisely on the maintenance and reproduction of the state-controlled system of production and distribution as the only "realistic" form of Marxian socialism.

Marxism, however, as the critique of political economy and as the struggle for a nonexploitative classless society, has meaning only within the capitalist relations of production. An end of capitalism would imply the end of Marxism as well. For a socialist society, Marxism would be a fact of history like everything else in the past. The very description of "Socialism" as a Marxist system denies the self-proclaimed socialist nature of the state-capitalist system. Marxist ideology functions here as no more than an attempt to justify the new class relations as necessary requirements for the construction of socialism and thus to gain the acquiesence of the laboring classes. As in the capitalism of old, the special interests of the ruling class are made to appear as general interests.

But even so, in the beginning Marxism-Leninism was a revolutionary doctrine, for it was deadly serious about realizing its own concept of socialism by direct, practical means. While this concept implied no more than the formation of a state-capitalist system, this was the way in which, at the turn of the century, socialism had been quite generally understood. It is therefore not possible to speak of a Bolshevik "betrayal" of the prevailing Marxist principles; on the contrary, it realized the state-capitalist transformation of private-property capitalism, which had been the declared goal also of Marxian revisionists and reformists. The latter, however, had lost all interest in acting upon their apparent beliefs and preferred to accomodate themselves to the capitalist *status quo*. What the Bolsheviks did was to actualize the program of the Second International by way of revolution.

Once they were in power, however, the state-capitalist structure of Bolshevik Russia determined its further development, now generally described with the perjorative term of "Stalinism." That it took on this particular character was explained by the general backwardness of Russia and by her capitalist encirclement, which demanded the utmost centralization of power and the inhuman sacrifices of the working population. Under different conditions, such as prevailed in capitalistically more advanced nations, and under politically more favorable internatinal relations, it was said, Bolshevism would not require the particular harshness it had to exercise in the first socialist county. Those less favorably inclined towards this first "experiment in socialism" asserted that the Party dictatorship was merely an expression of the still half-asiatic nature of Bolshevism and could not be duplicated in the more advanced Western nations. The Russian example was utilized to justify reformist policies as the only way to improve the conditions of the working class in the West.

Soon, however, the fascist dictatorships in Western Europe demonstrated that one-party control of the state was not restricted to the Russian scene but was applicable in any capitalist system. It could be utilized just as well for the maintenance of the existng social relations of production as for their transformation into state-capitalism. Of course, fascism and bolshevism continued to differ with respect to economic structure, even as they became politically indistinguishable. But the concentration of political control in the totalitarian capitalist nations implied the central co-ordination of economic activity for the specific ends of fascist policies and therewith a closer approximation to the Russian system. For fascism this was a temporary measure, analogous to the "war-socialism" of World War 1, and not a goal. Nonetheless, it was a first indication that Western capitalism was not immune to state-capitalist tendencies.

With the hoped-for but rather unexpected consolidation of the Bolshevik regime and the relatively undisturbed co-existence of the opposing social systems until the second world war, Russian interests required the Marxian ideology not only for internal but also for external purposes, to assure the support of the international labor movement in the defense of Russia's national existence. This involved only a part of the labor movement, to be sure, but it was that part which might disrupt the anti-bolshevik front, which now included the old socialist parties and the reformist trade unions. As these organizations had already jettisoned their Marxian heritage, the apparent Marxian orthodoxy of Bolshevism became practically the whole of Marxian theory as a counter-ideology to all forms of anti-bolshevism and all attempts to weaken or to destroy the Russian state. Simultaneously, however, attempts were also made to secure the state of co-existence through various concessions made to the capitalist adversary and to demonstrate the mutual advantages to be gained through international trade and other means of collaboration. This two-faced policy served the single end of preserving the Bolshevik state and securing the national interests of Russia.

In this manner, Marxism was reduced to an ideological weapon exclusively serving the defensive needs of a particular state and a single country. No longer encompassing international revolutionary aspirations, it utilized the Communist International as a limited policy instrument for the special interests of Bolshevik Russia. But these interests now included, in increasing

measure, the maintenance of the international *status quo* in order to secure that of the Russian system. If at first it had been the failure of world revolution that induced Russia's policy of entrenchment, it was now the stability of world capitalism which became a condition of Russian security, and which the Stalinist regime endeavored to enhance. The spread of fascism and the high probability of new attempts to find imperialistic solutions to the world crisis not only endangered the state of co-existence but also Russia's internal conditions, which demanded some degree of international tranquility. Marxist propaganda ceased to concern itself with problems of capitalism and socialism but, in the form of anti-fascism, directed itself against a particular political form of capitalism which threatened to release a new world war. This implied, of course, the acceptance of anti-fascist capitalist powers as potential allies and thus the defense of bourgeois democracy against attacks from either the right or the left, was exemplified during the civil war in Spain

Even prior to this historical junction, Marxism-Leninism had assumed the same purely ideological function which characterized the Marxism of the Second International. It was no longer associated with a political practice whose final aim was the overthrow of capitalism, if only to bring about state capitalism masquerading as socialism, but was now content with its existence within the capitalist system in the same sense in which the social-democratic movement accepted the given conditions of society as inviolable. The sharing of power on an international scale presupposed that on the national level, and Marxism-Leninism outside of Russia turned into a strictly reformist movement. This left the fascists as the only forces actually aspiring to complete control over the state. No serious attempt was made to forestall their rise to power. The labor movement, including its Bolshevik wing, relied exclusively upon traditional democratic processes to meet the fascist threat. This meant its total passivity and progressive demoralization and assured the victory of fascism as the only dynamic force operating within the world crisis.

It was of course not only Russia's political control of the international communist movement, via the Third International, which explains its capitulation to fascism, but also the movement's bureaucratization, which concentrated all decision-making power in the hands of

professional politicians who did not share the social conditions of the impoverished proletariat. This bureaucracy found itself in the "ideal" position of being able to express its verbal opposition to the system and yet, at the same time, to partake in the privileges which the bourgeoisie bestows upon its political ideologists. They had no driving reason to oppose the general policies of the Communist International, which coincided with their own immediate needs as recognized leaders of the working class in bourgeois democracy. Finally, however, it was the general apathy of the workers themselves, their unreadiness to look for their own independent solution of the social question, which explains this state of affairs together with its fascistic outcome. A half century of Marxian reformism under the leadership principle, and its accentuation in Marxism-Leninism, produced a labor movement unable to act upon its own interests and therefore incapable of inspiring the working class as a whole in an attempt to prevent fascism and war through a proletarian revolution.

As in 1914 internationalism, and with it Marxism, was again drowned in the surging sea of nationalism and imperialism. Policies found their basis in the exigencies of the shifting imperialist power constellations which led first to the Hitler-Stalin pact and then to the anti-Hitler alliance between Russia and the democratic powers. The end of even the purely verbal aspirations of Marxism found a belated symbolization in the liquidation of the Third International. The outcome of the war, preordained by its imperalist character, divided the world into two power blocs which soon resumed their competition for world control. The anti-fascist nature of the war implied the restoration of democratic regimes in the defeated nations and thus the reemergence of political parites, including those with a Marxist connotation. In the East, Russia restored her Empire and added to it spheres of interest as so much war booty. The breakdown of colonial rule created the "third world" nations, which adopted either the Russian system or a mixed economy of the Western type. A form of neo-colonialism arose which subjected the "liberated" nations to more indirect but equally effective control by the great powers. But the spread of state-capitalist oriented nations was commonly seen as the diffusion of Marxism over the globe, and the arrest of this tendency as a struggle against Marxism which threatened the (undefined) freedoms of the capitalist world. This type of Marxism and anti-Marxism has no connection whatever with the struggle between labor and capital as envisioned by Marx and the early labor movement.

In its current form, Marxism has been more of a regional than international movement, as may be surmised from its precarious hold in the Anglo-Saxon countries. The post-war revival of Marxist parties affected mainly nations that faced particular economic difficulties, such as France and Italy. The division of Germany, as well as her occupation, precluded the reorganization of a mass communist party in the Western zone. The socialist parties finally repudiated their own past, still tinged with Marxist ideas, and turned themselves into bourgeois, or "peoples" parties in defending democratic capitalism. Communist parties do continue to exist throughout the world, legally or illegally, but their chances of affecting political events are more or less nil at present and in the foreseeable future. Marxism, as a revolutionary workers' movement, finds itself today at its historically lowest ebb.

All the more astonishing is the unprecedented capitalistic response to theoretical Marxism. This new interest in Marxism in general, and in "Marxist economics" in particular, pertains almost exclusively to the academic world, which is essentially the world of the middle class. There is an enormous outpouring of Marxian literature; "Marxology" has become a new profession and there are Marxist branches of "radical" economics, history, philosophy, sociology, psychology and so forth. All this may prove to be no more than an intellectual fad, but even so it bears witness to the present twilight state of capitalist society and its loss of confidence in its own future. Whereas in the past the progressive integration of the labor movement into the fabric of capitalism implied the accomodation of socialist theory to the realities of an unfolding capitalism, this process is now seemingly reversed through the many attempts to utilize the findings of Marxism for capitalistic purposes. This two-pronged endeavor at reconciliation, at overcoming at least to some extent the antagonism between Marxian and bourgeois theory, reflects a crisis in Marxism as well as in bourgeois society.

Although Marxism encompassed society in all its aspects, it focuses upon the social relations of production as the foundation of the capitalist totality. In accordance with the materialist conception of history, it concentrates its interest on the economic and therefore social conditions of capitalist development. Whereas the materialist conception of history has long since been quietly plagiarized by bourgeois social science, its application to the capitalist system remained unexplored until quite recently. It is the development of capitalism itself that has forced bourgeois economic theory to consider the dynamics of the capitalist system and thus to emulate, in some fashion, the Marxian theory of accumulation and its consequences.

We must recall here that the shift of Marxism from a revolutionary to evolutionary theory turned — with respect to theory — around the question as to whether or not Marx's accumulation theory was also a theory of the objective necessity of capitalism's collapse. The reformist wing of the labor movement asserted that there was no objective reason for the system's decline and destruction, while the revolutionary minority wing held on to the conviction that capitalism's immanent contradictions must lead to its inevitable end. Whether this conviction was based on an analysis of contradictions in the sphere of production *or* in that of circulation, left-wing Marxism insisted upon the certainty of capitalism's eventual collapse, expressed by always more devastating crises, which would bring forth the subjective readiness on the part of the proletariat to overthrow the system by revolutionary means.

The reformist denial of objective limits to capitalism

turned their attention from the sphere of production to that of distribution and so from the social relations of production to market relations, which are the sole concern of bourgeois economic theory. Disturbances of the system were now seen as arising from supply and demand relations, which unnecessarily caused periods of over-production through the lack of effective demand due to unjustifiably low wages. The economic problem was reduced to the question of more equitable distribution of the social product, which would overcome the social frictions within the system. For all practical purposes, it was now held, bourgeois economic theory was of greater relevance than Marx's appraoch, so that Marxism should avail itself of the going market and price theory to be able to play a more effective role in the framing of social policies.

It was now said that there were economic laws which operated in all societies and which were not subject to Marxian criticism. The critique of political economy had as object merely the institutional forms under which the eternal economic laws assert themselves. Changing the system would not change the laws of economics. While there were differences between the bourgeois and the Marxian approaches to the economy, there were also similarities which both had to recognize. The perpetuation of the capital-labor relation, i.e. of the wage system, in the self-styled socialist societies; their accumulation of social capital; and their application of a so-called incentive system that divided the workforce into various income categories — all this and more was now held to be an unalterable necessity enforced by economic laws. These laws required the application of the analytical tools of bourgeois economy so as to allow for the rational construction of a planned socialist economy.

This kind of Marxism, "enriched" by bourgeois theory, was soon to find its complement in the attempt to modernize bourgeois economic theory. This theory had been in crisis ever since the Great Depression in the wake of the first world war. The theory of market equilibrium could neither explain nor justify the prolonged depression and lost its ideological value for the bourgeoisie. However, neo-classical theory found a sort of resurrection through its Keynesian modification. Although it had to be admitted that the hitherto assumed equilibrium mechanism of the market and price system was no longer operative, it was now asserted that it could be made to be so with a little governmental help. The disequilibrium of insufficient demand could be straightened out by government-induced production for "public consumption," not only on the assumption of static conditions but also under conditions of economic growth when balanced by appropriate monetary and fiscal means. The market economy, assisted by government planning, would then overcome capitalism's susceptibility to crisis and depression and would allow, in principle, for a steady growth of capitalist production.

The appeal to government and its conscious intervention in the economy, as well as the attention paid to the dynamics of the system, diminished the sharp opposition between the ideology of *laissez-faire* and that of the planned economies. This corresponded to a visible convergence of the two systems, one influencing the other, in a process leading, perhaps, to a combination of the favorable elements of both in a future synthesis able to overcome the difficulties of capitalist production. In fact, the long economic upswing after World War II seemed to substantiate these expectations. However, despite the continuing availability of governmental interventions, a new crisis has followed this period of capitalist expansion, as it always had in the past. The clever "fine-tuning" of the economy and the "trade-off" between inflation and unemployment did not prevent a new economic decline. The crisis and the means designed to cope with it have proved to be equally detrimental to capital. The current crisis is thus accompanied by the bankruptcy of neo-Keynesianism, just as the previous great depression spelled the end of neo-classical theory.

Apart from the fact that the actual crisis conditions brought the dilemma of bourgeois economic theory to a head, its long-standing impoverishment through its increasing formalization raised many doubts in the heads of academic economists. The current questioning of almost all the assumptions of neo-classical theory and its Keynesian offspring has led some economists — most forcefully represented by the so-called neo-Ricardians — to a half-hearted return to classical economics. Marx himself is looked upon as a Ricardian economist and as such finds increasing favor among bourgeois economists intent on integrating his "pioneer work" into their own speciality — the science of economics.

Marxism, however, signifies neither more nor less than the destruction of capitalism. Even as a scientific discipline it offers nothing to the bourgeoisie. And yet, as an alternative to the discredited bourgeois social theory, it may serve the latter by providing it with some ideas useful for its rejuvenation. After all, one learns from the opposition. Moreover, in its apparently "realized" form in the "socialist countries," Marxism points to practical solutions that may also be useful in the mixed economies, such as a further increase of stabilizing governmental regulations. An income and wage policy, for instance, comes quite close to the analogous arrangements in centrally-controlled economic systems. Finally, in view of the absence of revolutionary movements, the academic type of Marxian inquiry is risk-free, as it is restricted to the world of ideas. Strange as it may seem, it is the lack of such movements in a period of social turmoil which turns Marxism into a marketable commodity and into a cultural phenomenon attesting to the tolerance and democratic fairness of bourgeois society.

The sudden popularity of Marxian theory nonetheless reflects an ideological as well as an economic crisis of capitalism. Above all it affects those responsible for the manufacture and distribution of ideologies, that is, middle-class intellectuals specializing in social theory. Their class as a whole may feel itself endangered by the course of capitalist development, with its visible social decay, and thus genuinely seek for alternatives to the social dilemma that is also their own. They may do so for motives which, however opportunistic, are necessarily

bound up with a critical attitude towards the prevailing system. In this sense the current "Marxian renaissance" may foreshadow a return of Marxism as a social movement of both theoretical and practical import.

Nonetheless, at present there is little evidence of a revolutionary reaction to the capitalist crisis. If one distinguishes between the "objective left" in society — that is, the proletariat as such — and the organized left, which is not strictly proletarian, then it is only in France and Italy that one can speak of organized forces which could conceivably challenge capitalist rule, provided they would have such intentions. But the communist parties and trade unions of these countries have since long transformed themselves into purely reformist parties, at home within the capitalist system and ready to defend it. The very fact of their large working-class following indicates the workers' own unreadiness, or unwillingness, to overthrow the capitalist system as well as their immediate desire to find accomodation within it instead. Their illusions concerning the reformability of capitalism support the political opportunism of the communist parties.

With the aid of the self-contradictory term "Eurocommunism," these parties try to differentiate their present attitudes from past policies, that is, to make it clear that their traditional, albeit long forgotten, state-capitalist goal has been definitively given up in favor of the mixed economy and bourgeois democracy. This is the natural counterpart to the integration of the "socialist countries" into the capitalist world market. It is also a quest for the assumption of larger responsibilities within the capitalist countries and their governments and a promise not to disrupt that limited degree of cooperation reached by the European powers. It does not imply a radical break with the state-capitalist part of the world but merely the recognition that this part too is presently not interested in further extension of the state-capitalist system by revolutionary means but merely in its own security in an increasingly unstable world.

While socialist revolutions at this stage of development are more than just doubtful, all working-class activities in defense of the workers' own interests possess a potentially revolutionary character. In periods of relative economic stability the workers' struggle itself hastens the accumulation of capital, by forcing the bourgeoisie to adopt more efficient ways to increase the productivity of labor. Wages and profits may, as mentioned, rise together without disturbing the expansion of capital. A depression, however, brings the simultaneous (though unequal) rise of profits and wages to an end. The profitability of capital must be restored before the accumulation process can be resumed. The struggle between labor and capital involves now the system's very existence, bound up as it is with its continuous expansion. Objectively, ordinary economic struggles for higher wages take on revolutionary implications and thus political forms, as one class can only succeed at the expense of the other.

Of course, the workers might be prepared to accept, within limits, a decreasing share of the social product, if only to avoid the miseries of drawn-out confrontations with the bourgeoisie and its state. Because of previous experiences, the ruling class expects revolutionary activities and has armed itself accordingly. But the political support of the large labor organizations is equally necessary to prevent large-scale social upheavals. As a prolonged depression threatens the capitalist system, it is essential for the communist parties, as well as for other reformist organizations, to help the bourgeoisie to overcome its crisis conditions. They must try to prevent working-class activities which may delay a capitalist recovery. Their opportunistic policies take on an openly counter-revolutionary character as soon as the system finds itself endangered by working-class demands that cannot be satisfied within a crisis-ridden capitalism.

Although the mixed economies will not transform themselves into state-capitalist systems on their own accord, and though the left-wing parties have, for the time being, discarded their state-capitalist goals, this may not prevent social upheavals on a scale large enough to override the political controls of both the bourgeoisie and their allies in the labor movement. If such a situation should occur, the current identification of socialism with state-capitalism, and a forced rededication of communist parties to the early tactics of bolshevism, may very well side-track any spontaneous rising of the workers into state-capitalist channels. Just as the traditions of social democracy in the Central European countries prevented the political revolutions of 1918 from becoming social revolutions, so the traditions of Leninsim may prevent the realization of socialism in favor of state-capitalism.

The introduction of state-capitalism into capitalistically advanced countries, as a result of World War II, demonstrates that this system is not restricted to capitalistically undeveloped nations but may be applicable universally. Such a possibility was not envisioned by Marx. For him, capitalism would be replaced by socialism, not by a hybrid system containing elements of both within capitalistic relations of production. The end of the competitive market economy is not necessarily the end of capitalist exploitation, which can also be realized within the state-planning system. This is a historically novel situation, which indicates the possibility of a development characterized generally by a state monopoly of the means of production, not as a period of transition to socialism but as a new form of capitalist production.

Revolutionary actions presuppose a general disruption of society which escapes the control of the ruling class. Thus far, such actions have occurred only in connection with social catastrophes, such as were released by lost wars and the associated economic dislocations. This does not mean that such situations are an absolute precondition for revolution, but it points to the extent of social disintegration necessary to lead to social upheavals. Revolution must involve a majority of the active population, which is not brought about by ideological indoctrination but is the result of sheer necessity. The resulting activities produce their own revolutionary consciousness, namely, an understanding

of what has to be done so as not to be destroyed by the capitalist enemy. But at present the political and military power of the bourgeoisie is not threatened by internal dissension and the mechanisms for manipulatory economic actions are not as yet exhausted. And despite increasing international competition for the shrinking profits of the world economy, the ruling classes of the various nations will still support one another in the suppression of revolutionary movements.

The enormous difficulties in the way of social revolution and a communist reconstruction of society were frightfully underestimated by the early Marxist movement. Of course, capitalism's resiliency and adaptability to changing conditions could not be discovered short of trying to put an end to it. It should be clear by now, however, that the forms taken by the class struggle during the rise of capitalism are not adequate for its period of decline, which alone allows for its revolutionary overthrow. The existence of state-capitalist systems also demonstrates that socialism cannot be reached by means deemed sufficient in the past. But this proves not the failure of Marxism, but merely the illusory character of many of its manifestations as reflexes of illusions created by the development of capitalism itself.

Now as before, the Marxian analysis of capitalist production and its peculiar and contradictory evolution by way of accumulation is the only theory which has been empirically confirmed by capitalist development. To speak of the latter we must speak in Marxian terms or not at all. This is the reason why Marxism cannot die but will last as long as capitalism exists. Although largely modified, the contradictions of capital production persist in the state-capitalist systems. As all economic relations are social relations, the continuing class relations in these systems imply the constancy of the class struggle even if, at first, only in the one-sided form of authoritarian rule. The unavoidable and growing integration of the world economy affects all nations regardless of their particular socio-economic structure and tends to internationalize the class struggle and thereby to undermine attempts to find national solutions for social problems. So long, then, as class exploitation prevails, it will bring forth a Marxian opposition, even if all Marxian theory should be suppressed or be used as a false ideology in support of an anti-Marxian practice.

History, of course, has to be made by people, by way of the class struggle. The decline of capitalism — made visible, on the one hand, by the continual concentration of capital and centralization of political power, and, on the other hand, by the increasing anarchy of the system despite and because of all attempts at more efficient social organization — may well be a long drawn-out affair. It will be so, unless cut short by revolutionary actions on the part of the working class and all those unable to secure their existence within the deteriorating social conditions. But at this point the future of Marxism remains extremely vague. The advantages of the ruling classes and their instruments of repression have to be matched by a power greater than that which the laboring classes have thus far been able to generate. It is not inconceivable that this situation will endure and thus condemn the proletariat to pay ever heavier penalties for its inability to act upon its own class interest. Further, it is not excluded that the perserverance of capitalism will lead to the destruction of society itself. Because capitalism remains susceptible to catastrophic crises, nations will tend, as they have in the past, to resort to war to extricate themselves from difficulties at the expense of other capitalist powers. This tendency includes the possibility of atomic war, and as matters stand today, war seems even more likely than an international socialist revolution. Although the ruling classes are fully aware of the consequences of atomic warfare, they can only try to prevent it by mutual terror, that is, by the competitive expansion of the atomic arsenal. As they have only very limited control over their economies, they also have no real control over their political affairs, and their possible intentions to avoid mutual destruction does not greatly affect the probability of its occurrence. It is this terrible situation which precludes the confidence of an earlier period in the certainty and success of the socialist revolution.

As the future remains open, even if determined by the past and the immediately given conditions, Marxists proceed necessarily on the assumption that the road to socialism is not as yet closed, and that there is still a chance to overcome capitalism prior to its self-destruction. Socialism appears now not only as the goal of the revolutionary labor movement but as the only alternative to a partial or total destruction of the world. This requires, of course, the emergence of socialist movements which recognize the capitalist relations of production as the source of the increasing social miseries and the threatening descent into a state of barbarism. However, after more than a hundred years of socialist agitation this seems to be a forlorn hope. What one generation learns, another forgets, driven by forces beyond its control and therefore comprehension. The contradictions of capitalism as a system of private interests determined by social necessities, are reflected not only in the capitalist mind but also in the consciousness of the proletariat. Both classes react to the results of their own activities as if they were due to unalterable natural laws. Subjected to the fetishism of commodity production they preceive the historically limited capitalist mode of production as an everlasting condition to which each and everyone has to adjust. As this erroneous perception secures the exploitation of labor by capital, it is of course fostered by the capitalists as the ideology of bourgeois society and indoctrinated into the proletariat.

The capitalist conditions of social production force the working class to accept its exploitation as the only way to secure its livelihood. The immediate needs of the worker can only be satisfied by submitting to these conditions and their reflection in the ruling ideology. Generally, he will accept one with the other, as representative of the real world, which cannot be defied except at the price of suicide. An escape from bourgeois ideology will not alter his actual position in society and is, at best, a luxury within the conditions of his dependence. No matter how much he may emancipate

himself ideologically, for all practical purposes he must proceed as if he were still under the sway of bourgeois ideology. His thought and actions are of necessity discrepant. He may realize that his individual needs can only be assured by collective class actions, but he will still be forced to attend to his immediate needs as an individual. The twofold nature of capitalism as social production for private gain thus reappears in the ambiguity of the worker's position both as an individual and a member of a social class.

It is this situation, rather than some conditioned inability to transcend capitalist ideology, that makes the workers reluctant to express and to act upon their anti-capitalist attitudes, which complement their social position as wage workers. They are fully aware of their class status, even when they ignore or deny it, but they also recognize the enormous powers arrayed against them, which threaten their destruction should they dare to challenge the capitalist class relations. It is for this reason, too, that they choose a reformist rather than revolutionary mode of procedure when they attempt to wring concessions from the bourgeoisie. Their lack of revolutionary consciousness expresses no more than the actual social power relations, which indeed cannot be changed at will. A cautious "realism," — that is, their recognition of the limited range of activities open to them — determines their thoughts and actions and finds its justifications in the power of capital.

Unless accompanied by revolutionary action on the part of the working class, Marxism, as the theoretical comprehension of capitalism, remains just that. It is not the theory of an actual social practice, intent and able to change the world, but functions as an ideology in anticipation of such a practice. Its interpretation of reality, however correct, does not affect the immediately given conditions to any important extent. It merely describes the actual conditions in which the proletariat finds itself, leaving their change to the future actions of the workers themselves. But the very conditions in which the workers find themselves subject them to the rule of capital and to an important, namely ideological, opposition at best. Their class struggle within ascending capitalism strengthens their adversary and weakens their own oppositional inclinations. Revolutionary Marxism is thus not a theory of class struggle as such, but a theory of class struggle under the specific conditions of capitalism's decline. It cannot operate effectively under "normal" conditions of capitalist production but has to await their breakdown. Only when the cautious "realism" of the workers turns into unrealism and reform into utopia — that is, when the bourgeoisie is no longer able to maintain itself except through the continuous worsening of the living conditions of the proletariat — spontaneous rebellions may issue into revolutionary actions powerful enough to overthrow the capitalist regime.

Until now the history of revolutionary Marxism has been the history of its defeats, which include the apparent successes that culminated in the emergence of state-capitalist systems. It is clear that early Marxism not only underestimated the resiliency of capitalism, but, in doing so, also overestimated the power of Marxian ideology to affect the consciousness of the proletariat. The process of historical change, even if speeded up by the dynamics of capitalism, is exceedingly slow, particularly when measured against the lifespan of the individual. But the history of failure is also one of illusions shed and experiences gained, if not for the individual at any rate for the class. There is no reason to assume that the proletariat cannot learn from experience. At any rate, quite apart from such considerations, it will be forced by circumstances to find a way to secure its existence outside of capitalism, when this is no longer possible within it. Although the particularities of such a situation cannot be established in advance, one thing is clear: namely, that the liberation of the working class from capitalist domination can only be achieved through workers' own initiative, and that socialism can be realized only through the abolition of class society through the ending of the capitalist relations of production. The realization of this goal will be at once the verification of Marxian theory and the end of Marxism.

Paul Mattick
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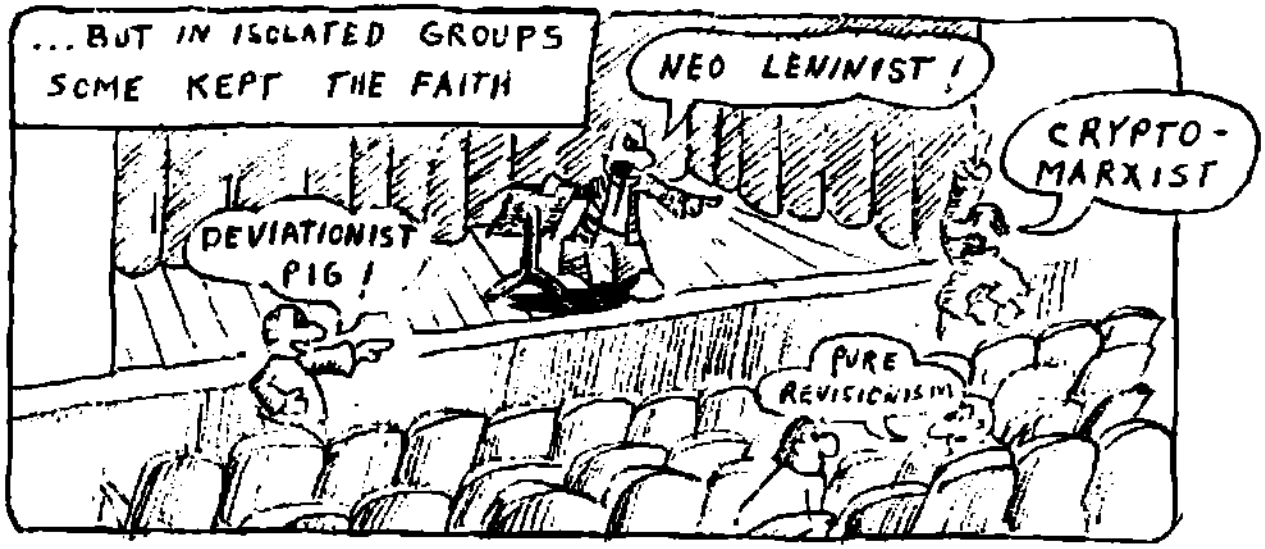


FRANCE:

The Politicians and the Crisis

It is still too soon to predict the economic and social results of the accession to power in France, in the summer of 1981, of a new political grouping. In this essay I will only try to describe several features of the situation and suggest its possible evolution.

I.

Can the Socialist victories, first in the presidential elections and then in the legislative elections, be understood solely as a response to social and economic decline? Does economic crisis tend to spur political parties of the Left? The recent experiences of Great Britain, Sweden and the United States warn against too mechanical an application of this line of reasoning. Still, it does appear that in electoral systems, for lack of any means of directly controlling economic and social life, people use the vote to try to stave off crisis: voting against the Left when the Left is in power and against the Right when the Right is in power.

In the French context, the meaning of the recent elections is unclear. The crisis did not produce any notable modification in the traditional distribution of votes between Left and Right. Throughout recent history, as on this occasion, electoral victories in France have turned on a few hundred thousand votes; the size of the Left vote, in percentage terms, has remained stable. Change was greater on the Right, where the rate of abstention was very high. The Right's loss of power was indicative of the disaffection of its electoral base, especially those groups most affected by the current crisis: middle-income professionals and other traditionally conservative strata. As on political "expert" observed: "It's not so much a surge of the Left as a collapse of the Right." Hence, the Socialist victory in no way indicates the existence of a movement with deep social roots, or even a widespread acceptance of the idea of social democracy. Nor does their new majority in Parliament signify a real growth in popular support for the Socialist Party. It was a fragile victory.

Nonetheless, the election results are not wholly unrelated to the growing social and economic crisis. Divisions and scandals within the ruling class contribute to the mounting political instability. Violent protests have occurred in connection with a number of issues, such as regionalism and nuclear power. Large sectors of the working population are deeply disaffected by the persistance of certain problems; for example, those of immigrant workers. At the root of this increasing disequilibrium is the worsening economic crisis. Unemployment no longer affects only women and youth, but now skilled workers and even management as well. Whole cities and regions feel the effects of collapsing industrial sectors: steel in the North, textiles in the East. There is also rampant inflation, eroding real wages. Poverty and apathy are growing in cities, where private charitable agencies try to take up the slack left by decreased governmental assistance.[2]

The Right, in power since the end of the 50s, has fallen victim in part to the natural vicissitudes of electoral politics, but also to its own policies in response to the crisis. It was immobilized by its social composition, which prevented it from attacking traditionalist obstacles to progress. As the Right declined, the Socialist Party (PS) gradually grew more vigorous, attracting a new political generation that included many veterans of May 1968. The PS effectively portrayed itself as an alternative to rightist immobility — a party of young, competent managers. The Party began to speak for the interests of large sections of the middle class, now beginning to be affected by the crisis, who saw a shift in political allegiance as a way of increasing their political weight. Their vote (or refusal to vote) seems to have been a decisive factor in the Socialist victory.

Parallel to the rise of the PS among the middle classes was the decline of the Communist Party (PC) in its traditional stronghold, among the workers. The latter phenomenon is connected with the crisis of unionism, of which the Communist-dominated Confederation Generale du Travail (CGT) was the main victim. The CGT suffered a sharp drop in membership as well as in its influence in workplace committees. The chauvinistic campaigns of early 1981 aimed at immigrant workers were a poorly-disguised attempt on the part of the PC to recapture its populist base. But the results were negative for the Communists' image among leftist workers, and especially among youth, disgusted by the Party's anti-drug, pro-nuclear and militarist campaigns.

Weighing these factors along with the political disarray of the Right, it seems clear that the elections of 1981 expressed a deep disenchantment on the part of many groups in French society against a political ruling class corrupted by its long and undisturbed exercise of power, complacent and impotent even in a badly deteriorating social and economic situation. The election

results took both the bourgeoisie and the PC by surprise, for the current period, which has seen the end of relatively uninterrupted economic growth, has nevertheless usually been discussed in exclusively political terms. Even on the Left, the crisis of capitalism is usually ascribed mainly to the defects of Giscard's or Barre's policy, with the PC pretending that everything was the fault of arbitrary or incompetent bosses.

The lack of a regular alternation of power between Right and Left — such as obtains in Britain or West Germany — gave rise in France to certain illusions among the lower classes and certain fears among the bourgeoisie. The satisfaction in some quarters that followed the Socialist victory did not go very far. The celebrations in some factories over the defeat of the Right did not lead to any widespread determination to press for substantial social and economic changes. Only the Trotskyists timidly ventured a few comparisons with, say, 1936. But their notion of an electoral victory followed by a movement challenging the institutional framework proved, in this case, to be a fantasy.

The Socialist victory should by no means be thought of as a triumph of workers' collective activity, which prompted the bourgeoisie to coopt the reformists into safely channeling the workers' struggles. At most one might consider the Socialist's rise to power as an attempt to pre-empt class struggle — i.e., a large number of liberals and middle class people voted for the Socialists in hopes of avoiding the "explosion" whose specter has haunted French politics since May 1968. But it's also true that the Socialist victory follows, in a way, from the weakness of the working-class response to the crisis. The steelworkers' struggle in 1979 had shown the inefficacy of union activity — even street protests — in the face of industrial restructuring, speedups and layoffs.[4] The failure of union struggles and the absence of other forms of working class activity enhanced the relative prestige of the state and increased the legitimacy of electoralism. The demoralization of the workers led to their submissiveness and dependence on the State as their sole recourse in improving or defending their situation.

II.

The rise of a new set of politicians to State power is seldom accomplished without difficulty, and in this case the long dominance of the Right allowed it to become deeply entrenched in government.The Socialists are having problems controlling several State sectors, notably the security forces. The limited political reforms they did introduce — in communications, for example, and in administrative decentralization — have produced, by way of reaction, a certain foot-dragging on the part of government bureaucracies.

The new administration also legislated a number of social reforms, such as abolition of the death penalty, prison reform, improved public health and access to contraception, that fall under the rubric of "modernization." This seems to be the general theme of Socialist reforms — eliminating bureaucratic irrationality, streamlining administration, increasing the efficiency of government, and so forth. Of course, the health of the economy, as well as the structure of the economic system, imposes limits on these institutional reforms. And in general, the Socialists are quite happy to function within these limits. They see their primary task as reforming the State, and thereby enhancing its legitimacy after the long reign of the Right.

III.

One aspect of this political renewal is the participation of the Communists in the government. This has occurred at a time when the balance of forces between the Communists and the Socialists has shifted considerably in favor of the latter. Having lost half its strength in Parliament, including several Central Committee members, the PC is much weakened, even though it maintains a strong presence in local government.The Communists entered the national governing coalition under an agreement in which they pledged to support the government not only in the municipalities but also in the factories. Socialists consider this agreement a significant step forward guaranteeing social stability, even considering that the PC and CGT cannot always control or manipulate spontaneous working-class actions.

What is the Communists' strategy in all this? In a way, their previous positions, including their line on the Union of the Left, obliged them to enter the government, even if only to garner credibility for future attacks on the Socialists. At the moment, they seem to have two objectives. Domestically, they hope to penetrate and colonize the state apparatus. Even though they received very subordinate positions in the Cabinet, Communist ministers have already taken a number of measures to enhance the power of the CGT, especially in the public sector unions. They are also striving to establish their image as efficient, responsible adiminstrators, firm towards the workers and conciliatory towards the capitalists (e.g., in transportation and public health, where they have portfolios). The middle class seems satisfied with them, as witness the congratulations recently extended to the Communist minister of transportation by a rightist Deputy: "You certainly know how to handle strikers. Keep up the good work; we're behind you..."[5]

In foreign affairs, the PC's initiative is limited to opposing American policy and supporting the feeble French peace movement. This attitude is unlikely to displease the USSR, which is glad to see the Socialists' strongly Atlanticist position slightly qualified. But here, too, the PC is restrained by its coalition agreement. Besides, the PC wholly supports the Socialists' defense policy, which is committed to maintaining or even increasing military spending.

The PC's alignment with the economic, social and foreign policy of the PS has not been achieved without a certain degree of demoralization on the part of the rank-and-file. Whether the PC remains in the government depends on how it calculates the price, in demoralization, of its gain in legitimacy.

IV.

The economic situation has, from the outset, set rigid limits on the Socialists' freedom of action. The PS came to power with an essentially Keynesian economic program, based on increased State intervention in the economy through budgetary measures and the enlargement of the public sector. Nationalization was thus the principal theme of the government's initial program — nationalization of the banks and of various large industrial enterprises. The bank nationalization is a means necessary to break the political power of the financial sector, where capital has frequently been devoted to large-scale specualtion, and which the State hopes to redirect to productive investment. The State would not, however, nationalize the industrial enterprises controlled by the banks. The point of the nationalization program was to aid those capitalist sectors already in difficulty and deeply in debt to the State (e.g., steel), or losing dynamism and profitability (chemicals), and also to take control of those sectors where international competition necessitates enormous rates of investment (electronics and computers), which the private sector is increasingly unable to provide. And of course, some industries already are completely dependent on public demand (defense). In some ways, the Socialists' program serves the traditional function of nationalization: to socialize the losses of particular sectors of capital. The owners of the nationalized firms have been given generous indemnities, which the Socialists hope, perhaps naively, to see reinvested in more productive sectors of the economy.

The other main aspect of the Socialist program, essential to the social-democratic project of streamlining capitalism and defusing social tensions, was tax reform, particularly the introduction of a tax on unproductive capital: the wealth tax. Together with the nationalizations, the tax reform measures have provoked the first class reaction to confront the new rulers: a backlash from the bourgeoisie. The announcement of the 1982 budget, with its large deficit, reinforced this reaction. And the proposed labor reforms (including amnesty for fired unionists and new scope for workplace committees) further disturb employers.

These measures (and also the proposed laws on real estate and rents) are intended to penalize the speculative, parasitical sector of the bourgeoisie. And the Socialists hoped the nationalizations would improve the efficiency and profitability of the affected firms, which will retain their financial autonomy. (It's not by accident that the minister in charge of the nationalization program is a former director of Renault.) But the Socialist policy cannot effectively rescue capitalism from the current crisis. The policy assumes that State intervention can channel capital from purely financial and speculative activities into the productive sectors; yet it is the lack of profitability in those very sectors that has driven large amounts of capital into the financial and speculative markets.

Faced with middle-class opposition and the cautious attitude of management, the Socialists at first hesitated, and for a while considered relying on small businesses and medium-sized firms, thought to be uniquely capable of expanding employment because of their supposed "dynamism." In this connection, they continued the policy of their predecessors regarding youth employment, a policy which furnished business with a cheap, subsidized labor force. There were also tax credits for small businesses, easing of governmental regulations on retail stores. But the results were disappointing. Not only did small business join big business in opposing the government politically, but it also raised prices generally without increasing employment. So inflation and unemployment are both on the rise.

The constraints of the international economy finally obliged the Socialists to reverse the direction of many of their original programs. Given the continuing fall of the profitability and competitiveness of French capitalism on the world market, the government was obliged, at the beginning of October, to devalue the franc, already hard pressed on international financial markets. It's true that devaluation was inevitable, no matter who was in power. But it has made obvious the incompatibility of the government's Keynesian policies with the international economic situation. From that moment, the contradictions of the Socialists' policies have become obvious. Hardly a week after the announcement of the budget, there was talk, even in the Socialist Party, of the need to reduce the deficit. The control of inflation, until then downgraded in favor of a strategy of economic growth,

now became a fundamental concern of policy, and price controls, though universally unpopular, were reintroduced. It was considered necessary to keep inflation from undoing the results aimed at by the devaluation, especially the growth of exports. (Despite all this, the government itself, as indicated by the interest rates set on official loans, admits the likelihood of continuing high inflation.) After much Socialist campaign rhetoric about the reduction of the nuclear energy program it is essentially being maintained. Defense expenditures are rising. And finally, the proposed tax reforms and labor legislation have been watered down, delayed or simply scrapped.

This whole sad show reveals the futility and inconsistency of the government's policies. The first signs of division are appearing within the PS and the government, in which state-capitalist tendencies (the left of the PS — the CERES group —, and the PC) are losing ground to the "realistic," less Keynesian tendencies. At present, it looks like the Socialists' original social-democratic project is rapidly giving way to a more traditional, business-oriented economic realism, more in conformity with the monetarism required by France's international economic situation.

V.

As I've noted, the Socialists' accession to power coincided with a period of serious decline in the intensity of class struggle, especially following the unsuccessful steel strikes of 1979.[6] Factory occupations against layoffs have become daily affairs, but show no signs of turning into sustained, direct, autonomous working-class action. The failure of union-based activity in the face of the crisis, and particularly in the face of rising unemployment, has weakened the credibility of the unions among workers. In the last dozen years, the CGT has lost a large part of its membership, in part as a result of the collapse of whole industrial sectors (like steel in the North), but also because of the disaffection of many who no longer see the union as an effective institutional defense.

Aware of this, management has intensified union-busting activity, especially among rank-and-file delegates, who are being fired at a rate not seen since the war.

The new government knows that such antagonisms threaten their reformist, class-collaborationist policies. They fear that the integrative mechanism of labor-management negotiation is losing credibility. Hence the labor legislation aimed at reinforcing the power of the unions. New openings have been made to the union bureaucracy, which is quite happy with this sympathetic treatment, even while plagued with declining membership. There are plans to strengthen the workplace committees, whose function is to coopt autonomous activity at the workplace. The unions will have enlarged rights in the new nationalized sector, involving some 500,000 workers, or about 15% of the industrial labor force. Finally, the government wants to allow the unions to help administer income-transfer programs, including unemployment, and would also like to exploit their help to resolve potentially explosive social problems. Hence the spectacle of the CGT and CFDT (Confederation Francaise du Travail) helping to control and "regularize" the immigrant workforce, who reported more readily to union officials than to government bureaucrats or police.

The essential point about all this is that the strenghthening of the unions' power and their increasing involvement in administering economic and social policy did not stem from the strength of workers and does not in any way signify a real increase in their power vis-a-vis management. Instead, it is the result of top-down decisions made by the government; and it is a measure of the general deterioration of the situation that this becomes an additional source of workers' distrust for the unions, even while the Socialists' co-management schemes (and rhetoric) have managed to antagonize management.

VI.

In general, what is the attitude of workers to the new political situation? There is no doubt that the satisfaction displayed by the great majority over the election results was for the defeat of the Right rather than for the victory of the Left, whom no one expected to do anything serious about the crisis. At best, some hoped that the Left would slow the continuing decline. But skepticism rapidly regained the upper hand. Layoffs continued and even accelerated, inflation rose, the new government tried various blandishments upon management. Proposals to absorb unemployment by increased public employment — clearly inadequate, even from the start — were further limited by budgetary constraints, while even in the newly nationalized firms improved profitability required layoffs. Proposed reforms in the retirement system penalized the working class, and the withholding tax was once again increased to help pay for social security and unemployment benefits; and all this time it was obvious that the Socialists were unable or unwilling to impose similar sacrifices on the middle class. The workers' purchasing power and real wages declined, while negotiations dragged on over reductions in hours, which no one doubts will entail speedups and a corresponding deterioration in work conditions. (The only industry-wide settlement to date — in the sugar industry — allows employers to rearrange working hours at will, even though the amount of the work-week barely changed.)

Amid all this, there's not much sign of struggle on the part of workers. There are frequent sit-ins, sometimes confronting managers, generally in protest of layoffs, but these do not extend beyond one company or locality, and remain under union control. A few new goals have been raised: for example, strikes have broken out (at an aircraft factory in St. Lazare) to force employers to obey the new union amnesty laws, and even to broaden the application of the law, which currently only protects union representatives, to cover all militant workers. While these strikes were not aimed at the government, other actions showed that a more critical atitude was beginning to arise among workers — for example, strikes in left-wing municipalities (like Lille,

home of the Prime Minister), where the government tried to stretch out the work-week by reducing hours worked daily.

Unrest, including wildcat strikes, in the automobile industry, may presage a certain renewal of working-class combativity, although this unrest is confined so far to particular sectors, i.e., those with extremely difficult working conditions, which management has reorganized and mechanized in recent years.[9] Unfortunately, these movements have been rapidly taken in hand by the unions, which was made easier by the fact that the strikers were often a minority in their own factories. (By using suppessions such as the one at Peugeot in November, to augment their own power and credibility with the government, the unions further disgust and demoralize the workers.) Still, it is arguable that in these movements is visible, at last, the germ of working-class opposition to the general tendency of capitalism in crisis, which is to try to increase the rate of surplus value, not only by introducing new technology, but above all through speedups, job reclassification and discipline of the labor force.

In relation to the victory of the Left, these strikes very likely signify the end of a wait-and-see attitude on the part of workers. Most workers obviously believe that nothing has been gained and that the new political situation is irrelevant to their struggles. As one Renault worker said during the strike there, "We're not going to drop our demands just because the Left is in power." the conciliatory (and fruitless) attitude of the PS toward a hostile management, and the Party's inability to carry through even the smallest reform, only deepens the workers' mistrust. Despite all this, the workers' activity remains bound by statist illusions, by the expectation that the Left's control of the State should support or augment their meager initiatives — illusions which reveal the absence of autonomous radical working-class activity in the present period.

The unions, of course, are moving wholly within the confines of these illusions. For example, the CGT, which is trying, naturally, to exploit workers' dissatisfaction to increase its own influence, attempts to adapt the objectives of strikes to the limits of the government's policies, channeling discontent toward "the bosses' but not toward the State, which is presented as an ally.[10] Thus the CGT proves its combativeness while maintaining fidelity to the government, of which the PC is a part.

The unions are, nevertheless, in an awkward position as the crisis deepens, for they are obliged to go along with rank-and-file discontent in order to preserve minimal representativeness, and it is becoming more and more difficult for them to support the government. Already the CFDT — which has seen a good number of its leaders climb into the state apparatus — is facing something of a revolt of rank-and-file unionists opposed to this cozy relationship with the government. In the CGT, sharp debates divide the bureaucracy, including even PC members.

Similar difficulties have been felt within the PC itself, where a certain tradition of activism is difficult to reconcile with the current abject servitude toward the government. Constrained in its traditional oppositional role, but still largely absent from the center of the national political stage, the Party is experiencing a crisis, and preliminary reports to the upcoming Party congress speak of the disappearance of a number of cells.

It would be too much to claim with any confidence that the widespread disillusionment among workers will develop into autonomous, direct action. It may just as well be a source of increasing passivity and inaction, of suspicion toward even the possibility of collective action. Only the future will tell.

VII.

One might have thought the Socialists' rise to power ought to have made possible the reform of French society and its institutions, the reduction of social tensions, the neutralization of potential sources of conflict in the economy and in the nation as a whole. And many of the measures they planned and began to implement do have just that goal: the modernization of French capitalism and its adaptation to the norms of European and world capitalism.

But in working out this social-democratic project, the government has been hobbled from the start by a general and unexpected lack of support. On the one hand, there has been stubborn opposition from the French bourgeoisie, to whose history and experience (and limited imagination) social-democratic conceptions, and reformism in general, are utterly foreign. This is true not only of the most reactionary and parasitic sectors, which have remained powerful throughout all changes in French society, but also of the supposedly modern sectors of industry and banking, as is shown by their opposition to the proposed nationalizations (e.g., the "Paris-Bas" affair, in which the president of a major investment bank was indicted for outlandish maneuvering to avoid nationalization of foreign subsidiaries). The Giscard government had also tried unsuccessfully to introduce some social reforms, and had also succumbed to opposition from the bourgeoisie. On the other hand, the Socialists are setting about their modernization program at a time of working-class passivity, and while statist-type programs do require a measure of social peace, they also require a measure of tension, since it is difficult to overcome the resistance of the bourgeoisie unless the latter can be frightened by the threat of a workers' movement.

Even more than by these factors, the prospects of the Socialist program are limited by the historical circumstances in which it has appeared, specifically, a long and deep crisis of the capitalist system. French capitalism has already confronted the symptoms of this crisis: a fall in the general profit rate, resulting in a drop in investment, and the collapse of whole sectors of the economy, resulting in the further restructuring and concentration of capital. And the French are also experiencing the competitive effects of other beleaguered national economies. French capitalism is

floundering amid the Keynesian remedies of the Socialists, just as it earlier floundered amid the monetarist remedies of Giscard and Barre.

Beyond the immediate events of the political realm, the question is: what policy will save capitalism from the crisis? Even Barre's policy was moderated by the structural constraints of French capitalism: the state sector was not touched and real wages were on the average maintained, while the weeding out of backward sectors of the economy was eventually slowed down for fear of the social consequences of unemployment. If the theory was monetarist, the practice was nevertheless quite timid, and even so, it failed to avert the Right's loss of power. Similarly, the new Keynesian policies, based on the priority given to increasing employment rather than reducing inflation, appears to be equally ineffectual. The devaluation was merely the first sign that the new strategy is also a losing one.

It is the very structure of the bourgeois economy, and its ability to yield any solution to the continuing crisis, that is called into question by the successive failures of government economic policy, in France as elsewhere. The downfall of "Barre-ism" in France heralded the probable (by now, near-certain) failure of Toryism in Britain and Reaganism in the United States. Similarly, the difficulties now encountered by the French Socialists prefigure those which Labor (or the Social Democrats) in Britain and the Democrats in the U.S. will face, should they come to power. For if reducing the role of the state in the economy leads to increasing hardship and social strife without reviving the private sector, the Keynesian policy of budget deficits can only — by taking a portion of the already insufficient fund of profits — aggravate the problems of the private sector still further. In both cases, what must be done is to improve the general rate of profit, and, at the moment, this can only be done by an increased rate of exploitation, through a fall in real wages, i.e., a reduction of the price of labor power.

The French Socialists, in no position to pursue a successful Keynesian policy, will be forced to attempt the latter objective, to reduce real wages, in exchange for a few social reforms and a moderate decrease in the more flagrant economic inequalities. This is a major change from the traditional function of social-democrataic programs, i.e., to integrate the working class into capitalism through an *improvement* of its living conditions. The Socialists' success in this new task will depend greatly on the support — nonexistant even now — that they will find among the bourgeoisie, and more fundamentally, in the workers' willingness to pay the price of this new "crisis socialism."

Notes

1. F. Goguel, "La signification des succes de la gauche," *Le Monde*, 11 Nov. 1981.
2. Thus the Secours Catholique (Catholic Relief) in particular drew the government's attention to the growth of poverty among the unemployed. An official report confirmed this development at the beginning of 1981.
3. In the evolution of the income of different social and economic categories from 1962 to 1978, that of upper and middle supervisory personnel fell the most.
4. The productivity of labor rose by 40% in the French steel industry since 1976, of which 10% was in the year 1980 alone, after the layoffs and reorganization.
5. From the newspapers, 9 Nov. 1981.
6. In 1980 alone, the number of days on strike diminished by more than half in relation to the previous year. With the exception of 1979 (the steel strikes), the number of strikes has tended to fall since 1976.
7. Parallel to rapid de-unionization, one can observe a drop in the representatives of the left unions (CGT and CFDT) relative to the so-called independents. In firms with more than 1000 workers, for example, the CGT fell from 55% to 42% of votes cast in elections to workplace committees between 1967 and 1978.
8. In 1978 there were 4600 union representatives fired, that is, an increase of 36% in comparison with 1974.
9. Renault is today the auto company with the highest rate of productivity in the world. Among others, the Douai factory (in the North) is the most automated in the world. A high rate of investment, the transformation of the labor process by the introduction of robots, and the elimination of jobs have led to very violent rhythms and speeds of work. For example, at Renault-Sandonville (where there was just a very hard-fought strike) the average time during which each car stands before the assembly-line worker has gone from three minutes to a minute and a half.
10. This "support" of the State is, to be sure, very selective. In the same week, the police intervened (unsuccessfully) to reinstate a fired CGT delegate and to expel immigrant workers who were occupying their workplace.

The Class Struggles in Poland

Directions for Action, a text circulated for discussion among Solidarity's Interfactory Union Committees in preparation for a national conference last September and October, ended with this prediction:

> *In embarking on the road to renewal, we must have determination and we must be ready to make sacrifices. Either Solidarity manages to transform its social environment, or the old system will impose its norms and aims on us, cripple our efforts, and in the end absorb us, thus obliterating the hopes for a rebirth.* (1)

At present it seems that neither alternative has been realized. Despite the difficulty of getting information from Poland since the military coup of 13 December, it seems safe to say that the imposition of a "state of war", as the Poles evocatively call martial law, has not imposed the government's norms and aims on the population, or at any rate has not absorbed Solidarity. The crushing of open resistance seems to have led to a general work slowdown by angry people, on the one hand, and to the beginnings of an underground resistance, both armed and industrial, on the other. This is not the first time that this working population has survived suppression by the state. The workers' movement in Poland can trace its beginnings to the Poznan marches and independent coastal workers' union of 1956; through the explosions of '70-'71, '76, and '80-'81 it has grown continually in amplitude and sophistication. Such a working class movement may well be crippled, but its rebirth at some future movement is certain. However, Solidarity clearly did not manage to "transform its social enviroment." Why was this? How could an organization of ten million workers, with the support of the Polish population, be crushed in a week? There are lessons to be learned from the failure of Solidarity, especiallly with respect to the class struggle in the party-state run societies, but also with relevance to private-property capitalism.

1. It is necessary, however, to begin a discussion of Solidarity by emphasizing its successes. The creation of this "Independent Self-Governing Trade Union" (NSZZ) is the most important working class movement since the second world war. To begin with, it has demonstrated in the clearest possible way the social meaning of "Marxism-Leninism" for the working class. Their hatred for the Polish United Workers Party has led the united Polish workers to fight not for the "restoration of capitalism," for sectional interests, or, despite their nationalism, for national interests in conflict with those of workers in other countries, but for their class interest against their employer, the State. The coastal workers sang the *Internationale* in 1970 as they burned Party headquarters and police stations. And it is important to note that while claiming for itself a role as spokesman for Polish society as a whole, Solidarity defined itself explicitly as "an independent and self-governing union of the working people of all the regions and occupations." The creators of the NSZZ saw their action as a continuation of the history of proletarian revolution, declaring characteristically,

> *May Day is a special symbol for us. We have to give to this holiday a new content and new form, as it is our holiday, the holiday of working people, and not the festival of the state employer.* (2)

Secondly, the Poles have demonstrated once again the ability of the working class to create its own organizations for action. It is true that since 1976 small groups of intellectuals have played a significant role in the evolution of the class struggle in Poland (I shall discuss some aspects of this role below). But it is important to remember that the chief demands of the Baltic Interfactory Strike Committee of August 1980 had been raised already at Szczecin in 1971; that the tactic of workplace occupation, in place of street demonstrations, was developed also at that place and time; and — most essentially — that the basic organization of the struggle, the assembly of workers with an elected strike committee and mass participation in decision-making and negotiation, was evolved by the workers themselves, out of the necessities and opportunities of their situation. As in all previous workers' rebellions, the Polish workers acted in the absence of — and indeed in opposition to — established trade unions and "workers parties," creating new structures on the basis of their work organization at the shipyard, factory, or office.

This is directly responsible fo the emphasis — unique in history, on this scale — placed on mass participation in and control over decision-making. The negotiation of the Gdansk Agreement was broadcast over

loudspeakers to the shipyards as a whole. In one town on general strike, striking telephone workers connected the negotiating chamber to the phone system so that anyone could "dial-a-strike" and listen to the negotiations from the comfort of his or her home. The same concern was reflected in the organization of the NSZZ Solidarity that emerged from the Gdansk Agreement: chairpersons, for example, were to be elected by the largest body to which they were immediately responsible, rather than by the smaller committeess they would chair, and the principle recall of all elected figures was repeatedly stressed. In the words of the first issue of *Independenece*, the bulletin of the Warsaw Region of Solidarity, the workers

> *themselves know best where their interests lie and how to pursue them. Therefore the highest authority in our union is vested in factory-level organizations. ...Self-management, as we all know, is people of common interests joining together to articulate and defend those interests. ...Our union is self-managed, which in the most general terms means that decisions made by local groups concerning their own affairs cannot be overturned by higher union officials."* (3)

Again, the class basis of Solidarity was evident in its statement of principles:

> *The idea of the association of working people gives a high priority to the values which emerged from collective action. These values are:* solidarity *which provides the name for our union,* collective spirit, *the capacity for sacrifice both for the union collectivity and for the broader social interests, and, last but not least, the* idea of brotherhood of working people *in their common front against exploiters, regardless of the slogans by which their exploitation is masked.* (4)

The list of 21 demands fought for and won (if only, for the most part, on paper) at Gdansk is instructive. Acceptance of free trade unions and the right to strike head the list; then come freedom of information and the release of all political prisoners. Points 8 and 9 demand wage increases to meet price hikes, points 17 and 18 demand day-care centers and kindergartens and three years' paid maternity leave for women-workers. There was constant insistence on the importance of equalizing incomes by raising the wages of the lowest paid (as well as by taxing the wealthy members of the Party apparatus).

NSZZ Solidarity is this inaccurately described simply as a "trade union." A parallel case would be the IWW: for Solidarity came close to realizing the aim of One Big Union. Like the IWW, its strictly economic aims were indissolubly wedded to political issues. Formally a union, Solidarity was at the same time a social movement. This is necessarily the case in a country ruled by a bolshevik party dictatorship: when the employer is the state, a strike over "purely economic" issues, such as wages and working conditions, has an immediately political character. In addition, Solidarity explicitly challenged the Party's control of social life. Point 6 of the Gdansk Agreement called for

> *The undertaking of actions aimed at bringing the country out of its crisis situation by the following means:*
>
> *a) Making public complete information about the social-economic situation.*
>
> *b) Enabling all sectors and social classes to take part in discussion of the reform program.* (5)

2. At this point we must note an important ambiguity in Solidarity's relation to the State. On the one hand, the movement was characterized at its inception by an explicit lack of interest in workers' co-management schemes. This was due to the experience of the "workers' councils" instituted under the Gomulka government after 1956 uprising. By 1958 these structures had been brought totally under the Party's control, and from that moment on Polish workers have had no time for this sort of "workers' control." Solidarity was fighting not for participation in management, but to represent the interests of the working class vis-a-vis its employer.

This attitude was reinforced by general recognition that the power of the Polish Communist state could not be directly challenged under current conditions. The two issues that would provoke a Russian invasion and the destruction, at a terrible cost in lives, of whatever movement could exist, were — everyone agreed — questioning Poland's "international alliances" (i.e., Poland's membership in the Warsaw (!) Pact) and challenging the Party's formal control over Polish society. Solidarity thus defined for itself the paradoxical task of functioning as an opposition movement representing the majority of the population or at any rate its working class, without challenging Party rule.

How, indeed, could such a program be realized?

The dilemma emerges sharply in *Directions for Action*. The document gives an admirable analysis of the domestic roots of Poland's economic crisis in the social class relations of a bolshevik state:

> *Together we must overcome the economic crisis which threatens us with catastrophe. But we will not be able to do so without unmasking and eliminating its political and social causes. The basis of the crisis lies in the disappearance of democratic institutions and in the consequent deep division between society and the authorities in the hitherto existing system of public life. ...The dominant characteristic of this system is the absence of democratic mechanisms for decision-making, the absence of responsibility for decisions, and the absence of personnel rotation at the top levels. Decisions regarding the whole society are being taken by the party and administrative organs which themselves are excluded from social control. ...The bureaucratic system of government of the nation and economy forms a separate class of rulers exempt from the control of the ruled. ...This has an important implication: economic reform in Poland cannot succeed in economic and social effects if it is not accompanied by a profound reform of the system of government, which would eliminate the causes of crisis originating in the socio-political system and guarantee that there be no return to the old system.* (6)

Solidarity's demands for better living and working conditions could not be satisfied without an exit from economic crisis conditions. But these conditions would and could not be overcome by a Party apparatus of whose existence and mode of functioning they are the symptom and result.

With the government unable to institute the necessary economic reform, so ran the conception of the main leadership of Solidarity, the union itself (to quote an excellent account) "will be forced to shoulder the responsibility of increasing industrial productivity. Translated into daily life this means (a) eliminating corruption and waste due to mismanagement, (b) compelling the labor force to increase the productivity of their work, (c) convincing the general population to endure even greater shortages until an unspecified time when the systems regains its footing, and (d) revitalizing agricultural production." (7) Thus there was to be a deal struck with the Party (and, implicitly, with the Russians, presumably also in favor of economic viability for Poland): the Party would be left intact as the dominant political force, and "international alliances" would be respected. In turn, the Party would accept Solidarity's place as representative of the workers, gradually admitting it to various degrees of economic co-management, perhaps as participant in a Party-Church-Union crisis-management team. And eventually, perhaps, the system could be pushed in the direction of a parliamentary democracy in which the Communists would remain the only major party but the various segments of society — workers, peasants, intellectuals

Poznan in the aftermath of the riots there in June 1956 (left): three divisions of tanks had been called in, and the exact number of dead and wounded civilians is still not known. This photograph was taken at some risk: the figure at far right, back to the camera, is a member of the patrol of secret police.

— would be represented through their own organizations. As Wlodek Wypych, an editor of Warsaw Solidarity's journal *NTO* express it,

> *When we talk of the union's program of activity, we have in mind a certain vision of a democratic society — one in which there would be full shelves in the shops as well as some degree of freedom. For some time now in the official press, mention has been made of union representation in the Sejm/Parliament/. ...This is surely a very important matter, particularly as regards a future economic reform. For a reform requires a great deal of legislation which must, before acceptance, be canvassed in the trade unions. Their representation in the Sejm could raise to an appropriate level the dialogue with the authorities.* (8)

In return for this, and for wage and benefit concessions,

> *the union would guarantee the smooth, if not always uninterrupted, functioning of production. It could be counted on to discipline its members, reducing or eliminating wildcats. As with "free Saturdays," it could volunteer future sacrifices for the common good. ...In July, 1980, the government was unable even to raise the price of meat; in February, 1981 the prime minister's appeal for a ninety-day moratorium on strikes has been put into effect and protected against disruption through the personal authority of the union's national leadership.* (9)

The Solidarity leadship clearly seems to have believed that this projected deal was in the making. After the Bydgoscz incident of March 1981, (when the government backed down, at least for the moment, in response to a threat of general strike made over the beating of union activists), the leadership group of which Walesa was the outstanding representative came to think of the government as a form without a content of social power and policy. As described by a Polish observer,

> *the issue of the conflict...intensified the propensity to overestimate the weakness of the adversary and to believe that the demonstration of determination was sufficient to lay down the law to it. Together, the sense of being under seige and the conviction of being the stronger, led people to see the causes of the slowness with which the Gdansk Agreement was being realized not in the resistance of the institutional system as a whole, of each of its components separately, and of its agencies..., but in the supposed moderation of Solidarity itself...* (10)

In fact, Walesa even argued that the union had to hold together the Party, weakened by mass defections and internal challenges, in order to prevent Russian interference.

One cost of this putative deal, as indicated by the use in this context of the concept of "wildcat" strike, was the internal democracy of the union. Walesa began to be flown around the country at government expense to end strikes in opposition to the ninety-day ban. For example, as reported in the *NY Times*, November 1981,

> *Mr. Walesa expressed confidence ... that he could end all strikes still underway in Poland. He said he was sure that Solidarity's provincial leaders who did not agree to the need for labor would be eliminiated from the union's governing bodies. (According to a union spokesman,) "There are strong indications from almost all regions that there is a need to put some limits on strikes because we are fast reaching a situation that neither the government nor the union can control."* (11)

And in fact at this time militant leaders were being pushed out of Solidarity's national governing bodies. Meanwhile, it was freely admitted by Walesa and others who agreed with him on the union's strategy that their position was opposed not only by many leading activists but also by very large numbers of what by now was being transformed from an organized working class into a rank and file.

3. The Split between leadership and membership, together with the "dual power" strategy which necessitated it, reflected in part two particular aspects of the development of Solidarity. To begin with, we must mention the important role played by the group of working class militants from 1970-71, of which Walesa emerged as the dominant figure nationally. These people emerged to head the union movement after ten years of

Without a Title It's More Interesting — By Michal Kaweckl

(From Jednoś, No. 16, 12 December 1980.)

'Thought which is inconsistent with the truth gives birth to facts that are inconsistent with the truth, in other words distortions and falsehoods.'

K. Marx

'The direct object of industrial co-operation is the product, not profit.'

K. Marx

In the mass media for a number of decades a lot of space has been taken up with calls for more productive work, for the observance of discipline and for better quality work. In periods of especial social tension, the politico-state apparatus throws warning and even threats at the working people. How ironical that they try to convince us, hard working and feeling the effects of the fatal economic and social policies on our own skin, that the continuing strikes undermine national interests and even — and this word sounds ominous — the interests of socialism.

The strike is the law of the down-trodden, who have been deprived of all other means of social action. It is a radical act of self-defence and its impact has deep social and political causes. Instead of attacking the effects, it would be better to tackle removing the causes, a step beneficial to both sides. Sadly, the present leadership attacks strikes in an increasingly strident way, saying that in practice they are an unnecessary weapon. We can easily foresee that the *power apparatus* will try to include in the new trade union law an anti-strike formula along the lines that '...a strike may be proclaimed after all (?) other (?) means have been exhausted...'. In this way the dubious holders of society's mandate will be to dub every authentic workers' protest as 'the irresponsible action of hostile elements'.

But surely the working class, even during the August strike, demonstrated that it was, without a shadow of a doubt, on the side of socialism. It described its attitude to the system in the words *'progressive socialism — yes, distortions — no!'.(1)*

So who will believe the lying propaganda when its screams about the anti-socialist forces, the hostile position of some of the union leaders of the uncommonly-dangerous for-socialism personage, Jacek Kuron?

In Polish society, the understanding of the important positive role of the working class is increasingly becoming a widespread conviction. Masses of working people are conscious of the fact that they have been totally disinherited from power and do not possess the means to influence the legal-political state system. This class has been forced by the prevailing quasi-socialist relations to create its own workers' union organizations to act in defence of its interests and at the same time to defend the needs of other occupational groups. It brought into being NSZZ Solidarity.

The union movement Solidarity, organizing the majority of the working class, has the character of an authentic working class representative; as such it is the purest form of *socialist movement*. All the activities of Solidarity express the will and intentions of the working class which makes up its majority and unequivocally establishes its working class profile.

The politico-state apparatus is attempting (up to now ineffectively) to weaken our movement and to discredit some of our union leaders. If the need arises, NSZZ Solidarity will organize protest actions in defence of the world of the working people regardless of threatened sanctions, which in any case are unable to stem the discontent and wrath of millions of working people.

Throughout the 30-odd years of post-war history, the economic-politico-state apparatus of our country has continually resorted to the same way and means of administering human labor, naively believing in their effectiveness. One of these methods is to call for harder work and to issue warnings and threats to the world of labor when it organizes protest actions. Yet it is well known that propaganda means less than concrete changes in working methods in factories and work places. *People do not need to be specially cajoled to work hard. It is enough to create the appropriate conditions for them.*

Another of the changes in the legal-politico-state structure is the sharpening of the formal work discipline and the weighing down of workers with additional responsibilities without any expansion of their actual rights. (As also the strengthening of the politico-state and economic apparatus's role as super-arbitrator.) It is sufficient here to remember the Gierek Labor Code with its famous anti-strike clause, number 52.

Yet another example of the actions of the power apparatus in the field of directing people's work are the changes in the sphere of enterprise economics. There is the simply magical belief in the economic model that favors profit and bases its functioning upon it. In our view, gearing enterprises to profit, in other words to an exclusively economic result, will not improve either the economic or the social situation.

In our view, gearing enterprises to profit, in other words to an exclusively economic result, will not improve either the economic or the social situation. Where profit is counted *the most important role is given exclusively to the production plan, not to people.* 'Business does not think, business calculates. Motives — these are its figures.' (Karl Marx)

(1) This was the sign put up above the platform in the MKS meeting hall in the Warski yard during the strike.

underground activity, during which they worked out goals, strategy, and tactics for it. (12) In Gdansk they played an important role in beginning the strike movement of August '80. As the struggle unfolded, the group of militants

> *remained active and maintained a somewhat autonomous role within the movement. Thus, on 15 and 16 August, taking advantage of the workers' refusal of the first agreement negotiated with the shipyard management, and aware of the fact that the strike was spreading like wildfire, beyond the framework of local demands, this small group — towards whom the workers had already demonstrated their confidence in electing them members of the Strike Committee — convinced the workers to re-occupy the yards and then to form the Inter-factory Strike Committee (MKS), with the demand for a free trade union. (13)*

On the one hand, as their power to stimulate the development of a vast movement indicates, these workers truly represented the aspirations of their fellow. On the other hand, the mass of workers "were unable to create an organization and a mechanism making possible the integration of these groups of militants into struggle without their taking a preeminent position, thus limiting the autonomous potential of the movement." (14) The Leadership thus established made no effort to strengthen their control and recallability by the membership; on the contrary, they made use of the idea that they were irreplacable. Time and again during the last year, Walesa got his way against the opposition of the rank and file by threatening to resign. The early limitation of democracy within Solidarity can be seen in the fact that the presidium of the MKS, constituted at the outset by the Gdansk union militants, did not grow significantly even while the number of enterprises sending delegates to the MKS grew rapidly. The problem with democracy

"Who is Who?"

From Jednosc (newspaper of Szczecin Solidarity) No. 11, 30 October.

'For us, Communism is not a state stage which was to be brought about, neither is it an ideal towards which we should direct reality. What we mean by communism is the real movement which brings down the status quo.' (Karl Marx)

A spectre is haunting Poland — the spectre of anti-socialist forces. Everybody who has a corrupt and middle-class style of thought and life to defend has united to organize a holy war against this spectre. It's as if a particular group of people had a 'patent' on socialism and the rest of the nation was obliged to passively abase itself before a fantasy world through the unmasking of reality.

But the worst of such ways of thinking is the attribution which has come to fruition since the war of the label 'anti-socialist forces' to the workers' movement itself. Has anyone ever seen such a thing as an authentic movement of the workers, directed towards the liberation of the proletariat, which had an anti-socialist character? For the real liberation of the proletariat can only take place on the road of the socialization (something quite different from state ownership) of the means of production. It is necessary for the workers and peasants to become the real owners of the machines and tools with which they work and of the land which they cultivate. They desire a guarantee of their right to decide about the most fundamental questions which is the very opposite of wanting to personally fill managerial posts in the state or economic apparatuses. They long for the government, the administration and the other apparatuses to become genuinely representative and spokespeople for the interests of those whose hard daily labor 'provides the basic preconditions for the existence of the nation.' This movement, as is evident, is socialist in its very essence, and anybody who cannot grasp this is condemned to remain on the sidelines of the current history of the nation, far from the creative current of history.

Might it not be the case that the people who shout about anti-socialist forces are really getting at something else altogether? More than once in the history of ideology someone has proclaimed that they have found the one and only key to the building of socialism and found the solution to all human problems. The feudal ideologies talked about socialism after the bourgeois revolution in France; the petty bourgeoisie similarly wanted to reorganize the world according to its own socialist fantasies; there came a time when German philosophy considered their conception of socialism to be the only 'authentic' one and the bourgeoisie to this day talks about socialism of its own kind, intended to preserve the old order in the world. This is to leave out utopian socialism and all those who over the centuries have distorted, deformed and mangled the humanist ideals of working-class progressive socialism.

Who then are the anti-socialist forces? He who wants to strike home must first understand.

But what is the significance of the fact that the movement of workers called NSZZ 'Solidarity' calls for a progressive socialism? What might this socialism look like? What guarantees are there that this will be the real thing? Such a guarantee can only be provided by the nation itself, by the activity of the workers themselves through realizing their own aspirations and not through the voices of professional parliamentarians. The ideals of the proletariat cannot be 'incorrect' because they are developed directly from labor, from what makes a human being a human being.

within the NSZZ Solidarity became a major preoccupation for the organization, and the issue was clearly raised, especially with reference to Walesa's pursuance of his strategy vis-a-vis the government, at national meetings and in the union press.

Related to the role of this leadership group was that of the intelligentsia, both from the Catholic Church and from the lay radical group organized in the Committee for the Defence of the Workers (KOR, later Committee for Social Self-Defence-KOR). Although Western leftists tend to focus attention on the latter, the Church is clearly the most important organized force in Poland, next to the Party. It is the incarnation of nationalism generally and of opposition to Russian imperialism in particular; it is a major source of the ideology of sacrifice, community, social ethics, and opposition to corruption expressed in Solidarity. The complexity of the masses' relation to the Church is nicely exemplified by the reaction of the workers to Cardinal Wyszynski's televised speech on 26 August, 1980, asking them to end the strike movement. This request was not obeyed; but people did not perceived the Church as opposed to them either; the cognitive dissonance was resolved by simply disbelieving that the Cardinal had really said what he seemed to have, and blaming the government for distorting his real meaning! The Church, in turn, hastened to alter its position the next day. Once Solidarity came into existence, the Church became quite involved in its operation, both by playing an advisory role and by acting as a mediator between the union and the state. The Church, of course, has its own game to play, strengthening its institutional position in Polish society by demonstrating to the Party both its support among the population and its ability and willingness to use its power as a moderating influence.

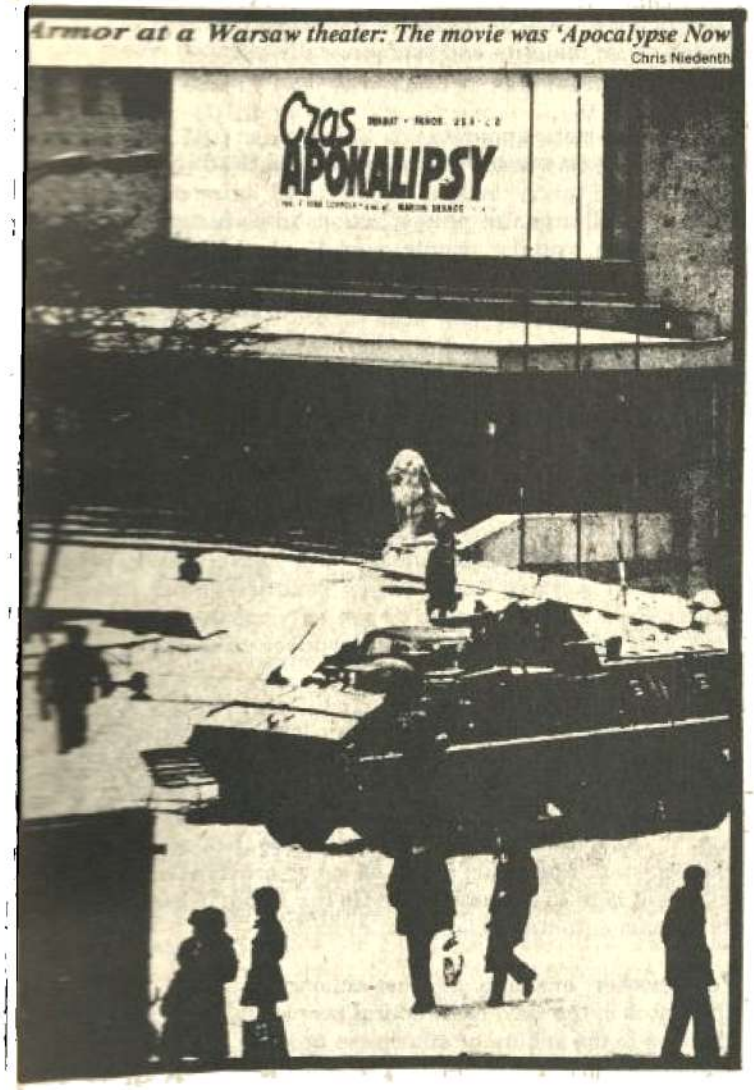
KOR won the respect and support the free union militants by playing an important and helpful role after 1976, when it was founded to support strikers victimized after that year's rebellion. KOR became involved with the free union movement, helping produce and distribute workers' newspapers. Members of KOR — notably Jacek Kuron — seem to have seen their role in neo-leninist terms, as one of teaching, leading, and ultimately channelling and moderating the workers' movement as it emerged. In 1979, for example, Kuron expressed his "fear that we are threatened with an explosion of popular anger" which might provoke a soviet invasion. Hope for the future lay in a movement controlled by newly forming "social elites" who would constitute a "democratic opposition" hoping "to realize its aspirations for parliamentary democracy and independent statehood gradually, by peaceful means." Kuron feared, however, that the mere existence of this nascent opposition would have the effect of mobilizing people against the authorities before it was in a position to incorporate them into its organized activity. Hence the danger of explosion, which should be dealt with by directing people into the official structures — union, party, youth organizations, etc., with the aim of pushing the Party to support popular aspirations...(15) This program was of course swept away by the explosion that did after all come. KOR, and Kuron in particular, continued to press for moderation and "realism" (for example, during the struggle of January '81 over free Saturdays). As with the inner circle of the free union leadership, the efforts of "expert" advisors to steer the organization in the direction of moderation came to involve the violation of democratic principles in decision-making. (16)

4. I put the raised eyebrows around "realism" just now because it seems to me that one lesson of the last months has been the *lack* of realism inherent in the moderate program. A system of dual power has never been a possibility. Its plausibility in Poland appeared only from

the point of view of nationalist ideology, which projects a "national interest" shared by state and opposition alike. A state which fundamentally represents only its own interest as a ruling elite cannot tolerate the power of a mass organization, essentially in opposition to it, operating in the socio-economic sphere.

At a time when parliamentary government is becoming less and less meaningful where it exists, it is absurd to expect it to have meaning in a country like Poland where, in any case, it must be as much of an anathema to the Russians as "national independence" — for whatever that would be worth for a nation in thrall to a consortium of banks. And it is hard to see to what extent economic and social reform is possible, in the midst of a global economic crisis, for a country subjected both to the needs of Russian imperialism and to the difficulties of the world market.

Finally, it was the Polish government that was realistic. It saw the weakening of the Party organization: membership fell from 3.1 million to 2.7 million between 1979 and 1981, and 1980 saw an outbreak of open dissent in the ranks. It saw the development of a mass organization of workers, 10 million strong, with a rank and file in open opposition to Party policy and a leadership within which militants were openly challenging the dominant moderate faction. (A number of the former resigned their positions in Solidarity just before



Armor at a Warsaw theater: The movie was 'Apocalypse Now'
Chris Niedenthal

the crackdown, presumably to be free to organize oppositional activity, and we now know that an underground organization was already being formed on the Baltic coast, though it was not planned to go into operation until this Spring.) It saw the growth of local and regional strike movements that the central leadership had a hard time controlling. It saw experiments, in certain areas, in the direct seizure and distribution of supplies by organized workers. And above all, it saw the necessity of imposing a yet more brutal austerity program on the population. Undoubtedly, had Solidarity not been crushed the current round of price hikes would have met with mass opposition.

What could Solidarity have done differently? Obviously, what we should attempt here is not the giving of useless advice to those who cannot hear it and who in any case are now in a completely new situation, but an analysis of the Polish case with an eye to the implications for similar situations elsewhere. Part of the problem lay in the Solidarity leadership's misapprehension of the state of affairs. The Party apparatus has clearly not turned out to have been the empty shell that it was taken to be; at any rate, that shell could be taken over and used by the military and security forces. It was always the *Russians* who were seen as the real danger, and this danger at a certain point was discounted, for good reasons. As a result the union was caught by surprise when the military men made their move. According to the head of Warsaw Solidarity, even when "the entire union leadership, assembled at a meeting at Gdansk, began receiving information about movements of troops, policemen, and special riot policement, and about a cut-off in communications...the scope and the intent behind those actions apparently were not clear to the unionists." (17)

Behind this error in judgement, however, seems to have been a misunderstanding of the limits of change. Despite its own analysis, the Solidarity leadership believed that the Party state would accomodate a rival power; that the need for economic reform and "national salvation" would take precedence over the preservation of Party power. What is remarkable is that this illusion persisted in the face of the government's refusal to share any real decision-making with Solidarity, its failure to implement the Gdansk Agreement (beyond the legalization of the union), constant local acts of repression, and the revelation of plans for a crackdown known since last Spring. (18) Meanwhile, the mass of the membership were not willing to challenge the moderates' control of the organizational apparatus of Solidarity.

Whatever Solidarity had done, the crackdown would have come in any case, and perhaps it would have come sooner. But it is imaginable that resistance would be stronger and more effective if the union had prepared its members psychologically and politically for this contingency, instead of limiting grass-roots militance and stressing the government's willingness to negotiate. Although preparations for a general strike were made in March 1981, they seem to have been downplayed once that immediate crisis had passed. The constant reining-in of local militance by the central leadership undoubtedly led to the erosion of readiness for organized action on a national scale. The limitation of democracy in the organization, besides obstructing attempts to move Solidarity in a more radical direction, also weakened its ability to act after the arrest of its national leadership. It was argued (e.g., often by Walesa) that a strong hand on the tiller was necessary, to control a

membership too eager to take industrial action in defense of local interests. But the union's victories were won through direct action and the threat of it, and had the use of mass strike action in the last half year provoked government repression, this would have meant a contest with the workers in a stronger position that they were in December.

In the interview cited earlier, the Warsaw leader Bujak drew these lessons from the crackdown of 13 December:

> *Many people compared the construction of Solidarity to a revolution. But this revolution precluded the use of force and kept the arrangement determining the Polish raison d'etat — alliances, cooperation, the leading role of the Polish United Workers Party. It was supposed to allow the party and Government authorities to reform the system of rule in the country and find a new formula for the leading role of the party taking into the account the social changes that were occuring. It is known, now, that nobody was thinking about such changes and reforms and that our hopes — that we would find even a token of good will on the other side — were illusory. It's clear the current situation could not have been avoided. (19)*

Without a Title... cont'd.

Wherever high profits have been achieved, they have been at the expense of *huge human costs*, undoubtedly including factory illnesses, accidents at work, the break up of personal ties between people, the break up of families, demoralization, alcoholism, a decline in work motivation, etc. (Pope John Paul II spoke of these things in Silesia.)

Thus the extent to which the state gains, the society loses. National stagnation deepens.

The examples cited may seem small but are respresentative of the entire activity of our power apparatus in its approach to the practical problems of the people's work. It must be said that this drive from above over the last 10 years did not simply fail to improve conditions, but did the opposite: the situation has deteriorated. How can this state of affairs be explained?

The historical experience of the Polish People's Republic clearly proves that the *power apparatus* does not represent the interests of the working class. (If it did, how can we explain the events of 1956, 1970, 1976 and 1980?) This apparatus is not the representative of the *world of labor*: worse, it's in *denial, negation*. In this situation, the power apparatus is still only a force of exploitation and violation of the world of the people's labor.

Between the *apparatus* on one side and *labor* on the other, a deep class conflict exists which causes antagonisms and conflict in the social life of our country. There remains the class struggle of the Polish proletariat whose aim is social control over the nationalized means of production and, through that, with strengthening the forces of the entire people's labor.

Up to now the only effectively disposer of the socialist means of production is the politico-state and economic apparatus, acting as a whole as a collective monopoly, as de facto private owners. It influences all spheres of life as well as the most important — control over the use of force: the militia, army, court and prison apparatuses.

On the left of the *power apparatus* is the *world of labor* with its own needs and aspirations which run counter to those of the former. The world of labor's needs and aspirations are authentically represented by the Independent Self-Governing Trade Union Solidarity, organizing in unions both Party and non-Party people.

In every way the concept of a two-pronged line of action by NSZZ Solidarity is becoming valid: firstly, its role as the defender of the workers' interests and secondly, its role as a force controlling the power apparatus and exerting the necessary pressure on it, without however participating in government. This conception has emerged out of our sad experience of past years.

The world of the people's labor has been forced to take up this defensive struggle. It cannot be denied that in defending itself the *subject of national work* will have to work out appropriate peaceful means of struggle, among which the strike weapon is one of many.

As can be seen, the workers' trade union movement 'Solidarity' is faced with a whole series of practical and theoretical questions. The future effectiveness of the practical actions will depend upon an efficacious solution to these questions. As an authentic organization of the world of working people we have enormous superiority over the ruling apparatus because we have the disposal of an audacious, humanistic theory of human labor. This fact without exaggeration can generally decide the success of the trade union movement 'Solidarity'.

A scholar once wrote that 'the effective theory is capable of moving the masses, when it supplies proof *ad hominem* and demonstrates this *ad hominem*, when it becomes radical.' It is precisely within informed radicalism where I would be inclined to search for the superiority of our ideas over the timorous ideas of the ruling apparatus which, in consequence of its restricted horizons, are simply false.

Crowds gather outside the United Peasants' Alliance headquarters in Bydgoszcz (below), under a banner demanding retribution for those police leaders responsible for the incident there. The occupation of the building by members of Rural Solidarity and a call for strike action was the reaction to the police brutality toward Rural Solidarity spokesmen.

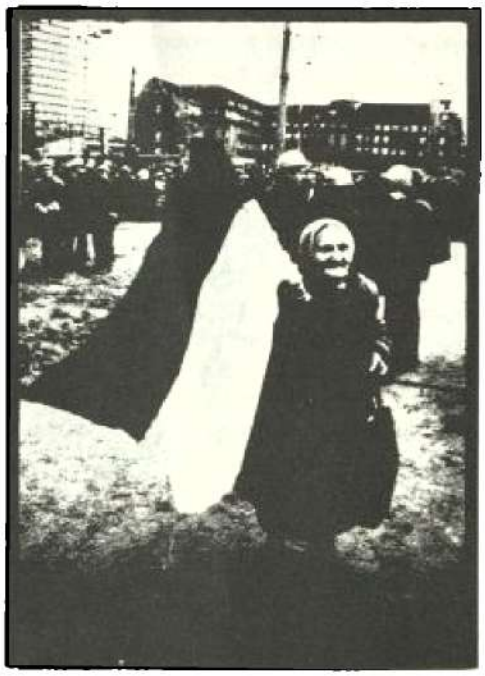
It is clear that the Polish working class — and the peasantry and intelligentsia with them — are in for a long period of oppression and misery. But it is also not to be doubted that the repression will be not the end but one more step in the process of self-education of the Polish workers. The shattering of illusions is a necessity in two sense: one, in that reality will have its way with us; two, in that it is only thus that we learn. In the years to come, we can be sure the Poles will be working out the lessons of the last year's events: the power of workers' self-organization; the limits of reform in a period of crisis; the incompatibility of class organization with the power of the bolshevik state; the fact that, after all, political power does flow also from the barrel of a gun; and the limits of nationalism as a basis for revolution in the modern world. The liberation of the Polish working class cannot be the task of the Polish workers alone, but depends also on the actions of other Eastern European workers, above all the Russians. And not only them: if we wish to aid the Poles in their struggle for proletarian democracy, here is only one way that will count in the long run: to fight our ruling class as they fight theirs. In this task, the history of Solidarity offers us much to learn from as well as to honor.

January 1982

Paul Mattick, Jr

Notes

(1) *Directions for Action* (Draft Program of NSZZ Solidarity), in *Solidarnosc*, 17 April 1981, trans. in *Socialist Review* 11:5, pp. 159-179, p. 179.
(2) *Ibid.*, p.164.
(3) Statement published in *Independence* (9 October, 1980), cited in Andrzej Tymowski, ed. *The Strike in Gdansk* (New Haven: Don't Hold Back), p. 45.
(4) *Directions for Action*, p. 163.-66.
(5) *Solidarity Strike Bulletin* 2, 24 August 1980, in *Labor Focus on Eastern Europe* 4:1-3, p.9.
(6)*Directions for Action*, pp. 165-6.
(7) Tymowski, p. 44.
(8) In a discussion of "The Organization of the Working Class", January 1981, transcript trans. in *Labor Focus* 4:4-6, p. 36.
(9) Tymowski, p. 48.
(10) Krzysztof Pomian, "Des Accords de Gdansk au Congres de Solidarite," *Faire* 70/71 (Sept.-Oct. 1981, pp. 42-56, p.49.
(11) "100,000 in Poland End Their Strike. Workers Heed Walesa's Appeal as Union Appears to Bring Militants Under Control." *New York Times* 3 November 1981.
(12) See the "Charter of Workers' Rights" circulated in 1979 by the journal *Robotnik* ("Worker"), signed by people who would emerge as prominent figures in Solidarity, *Labor Focus* 4:1-3, pp. 61-2.
(13) Charles Reeve, *Solidarite Enchainee* (Paris: Spartacus, 1981), p. 26.
(14) *Ibid.*, p. 27.
(15) Interview with Jacek Kuron, KOR *Information Bulletin* 3, trans. *Labor Focus* 4:4-6, pp. 12-13.
(16) See the very interesting critique of the role of outside "experts" in the Gdansk negotiations by Jadwiga Staniszkis, "Experts and the 'Leading Role'", in Labor Focus 4:4-6, pp. 12-13.
(17) Interview with Zbigniew Bujak, *New York Times* 16/1/82.
(18) *Ibid.*
(19) *Ibid.*



"We cannot admit that the unions constitute the sole authentic representative of the workers. Acceptance of such a conception would mean that in the political domain the Party would be cut off from its roots in the working class that constitutes its social base. It would then cease to be the party of the workers and would become an organization of employers, almost a professional organization of government. Then the union movement and the party would struggle for power. This was in any case the political idea at large within Solidarity." — Wladyslaw Loranc, Chairman of the Polish Television Commission, in *Zycie Warszawy*, 8 February 1982.

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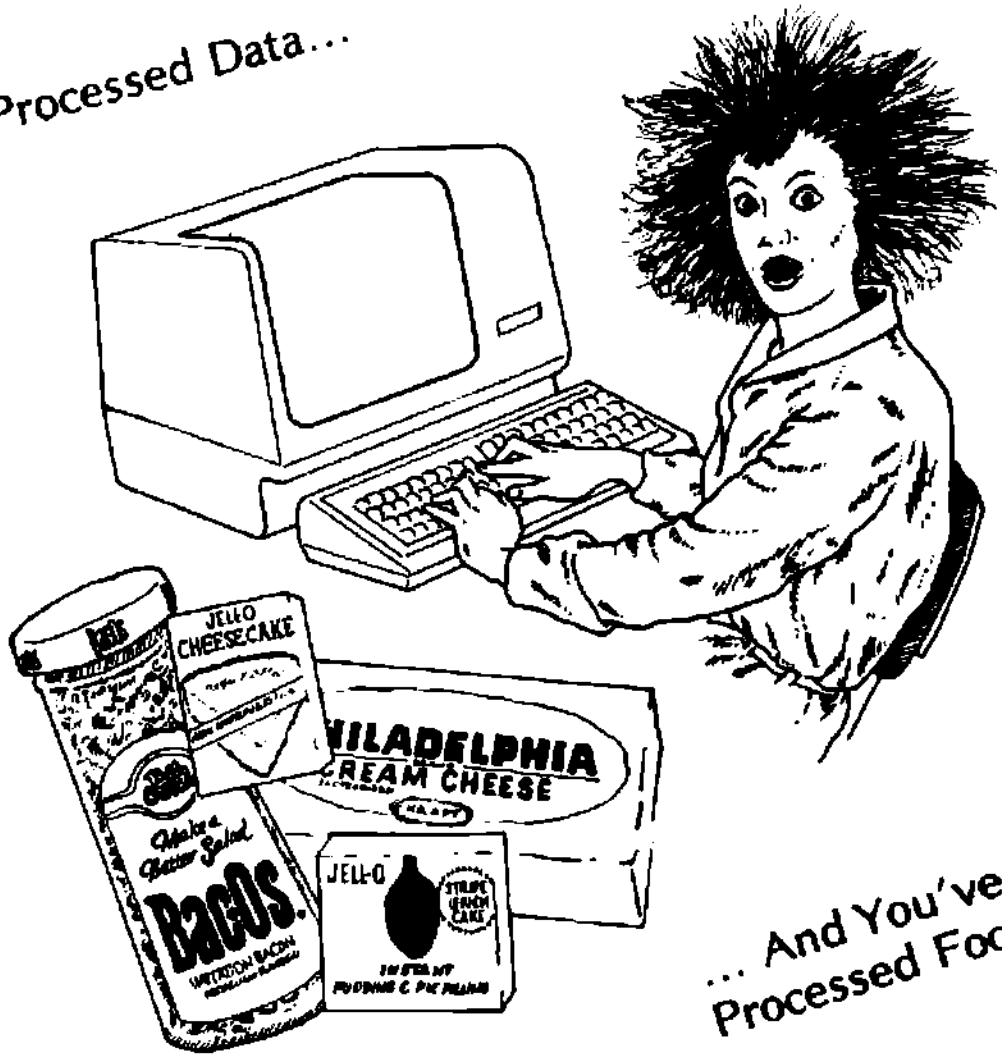

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Inside the Third Class Carriage

The year 1979 marked the one hundredth anniversary of Daumier's death. In France, the government organized perfunctary celebrations. In the United States, where minor impressionists and forgotten nineteenth century academicians now receive exhaustive retrospectives, the Daumier centenary went almost unremarked.

Such indifference is not surprising. Daumier has always been undervalued by comparison with such mainstays of nineteenth century art history as Delacroix, Millet, Courbet, the Impressionists. This is because Daumier was not primarily a painter but spent his working life as a "caricaturist" drawing lithographs for the popular press. Moreover, although he created very few overtly political works, he has acquired something of a reputation as a political radical. Daumier was a passionate Republican and a remorseless critic of the bourgeoisie. But politically he was not very radical, at least not by nineteenth century standards. Courbet, for example, engaged in a far more radical political practice.

Why then, one hundred years after his death, is Daumier still a thorn in the side of a latter-day bourgeoisie? The answer, I believe, is that his work bears direct witness to the terrible misery that attended the birth of the modern world. Like no other artist, Daumier recalls the enormous price that had to be paid for urbanization and the industrial revolution. This is especially evident in *The Third Class Carriage*. Daumier painted it around 1860. Critics, e.g. H.W. Janson in his widely-read textbook *History of Art*, have long recognized that in *The Third Class Carriage* Daumier depicted a "lonely crowd." This idea furnishes a first clue to the painting, although taken by itself, it oversimplifies what Daumier had to say.

Like other popular explanations of contemporary reality, the idea of "the lonely crowd" (which was invented by sociologist David Riesman) draws upon and vulgarizes the Marxist concept of alienation. This concept is hard to define and often misused. Yet despite

its complexities and current amorphousness — the way its meaning has often been expanded in contemporary usage to encompass a wide range of phenomena — *alienation* offers a way to account for Daumier's painting.

The word alienation derives from the Latin *alius* meaning other or something else. The English *alienation* suggests the idea of separation or a process of estrangement — making something alien to the self. The word has a number of different senses — historical, psychological, social, economic (the familiar Marxist example of the worker who is obliged to sell his labor and consequently loses not only the product of his work but also, in the end, his sense of his productive capacity). Used in a historical sense, alienation describes a process of atomization, the separation of the individual from the community, the individual thus becoming an alien in the world and the world becoming alien to the individual. In this sense, alienation recalls the violent upheavals of the industrial revolution and the longterm historical processes (enclosures, rural poverty, workhouses, etc.) that the formation of the working class entailed. These processes continue today, for example in the experience of immigrant workers, the "*Gastarbeiter*" of Western Europe recruited from the impoverished peasantry of Turkey, Algeria, Yugoslavia, Southern Italy, etc. *Alienation* can thus be used to describe a historical experience and to evoke the quality of that experience. However, the term is more frequently used to describe the psychological results of the historical process: a sense of aloneness and self-estrangement, a feeling of being cut off from humanity and the surrounding world, a pervasive meaninglessness. The worker feels alienated from his or her (meaningless) work, the apartment dweller lacks any sense of community, the idea of a "public" degenerates into a "lonely crowd" of individual consumers. The alienated individual often is numb to experience or longs for numbness. Numbness is one way to cope with extremely painful feelings of loneliness, helplessness, vulnerability. Such feelings often seem inexplicable because they cannot be related to a cause in experience. Thus capitalism's ideologues explain alienation as the inevitable "human condition."

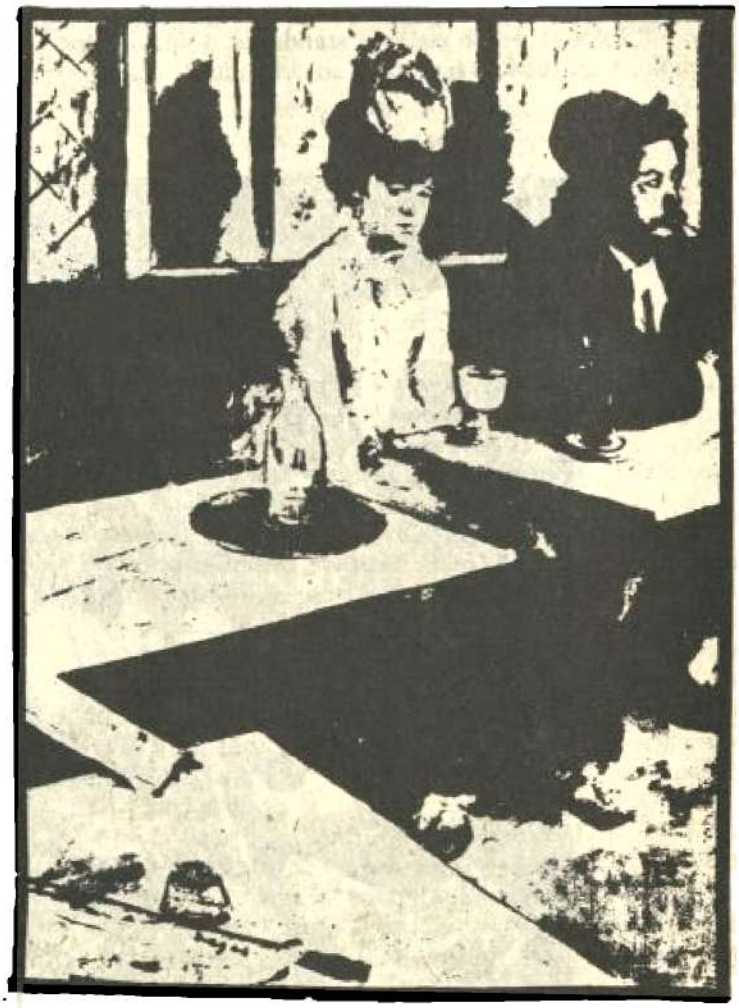
Alienation is implicit in a great deal of nineteenth century art, for example in the way Impressionist painting distances experience. Yet alienation appears only very infrequently as a deliberate theme. When it does, as in Degas' *Glass of Absinthe*, the artist usually treats it in psychological terms. Alienation thus becomes a given rather than the outcome of social and historical phenomena. Degas' painting reveals the mechanisms of alienation: the psychological distance between the two figures, underscored by their physical proximity; the absinthe which might anesthetize the pain such distance implies. But here alienation seems to be inherent in the scene, as commonplace and inevitable as any other element in the work.

This brings me to the uniquenss of Daumier's *Third Class Carriage*. It is probably the only nineteenth century painting in which the artist sees, and by seeing understands alienation as a historical phenomenon.

Before I attempt to explain why this is so, I would like to look more closely at Daumier's image. The setting is a gloomy interior filled with lower-class men and women. They could be workers or, perhaps, poor peasants. The background figures are without emotion, their hard faces locked up like steel doors. A family group in the foreground provides the only human relief — a mother nursing her infant; grandmotherly woman with a basket; beside her, a sleeping boy. Daumier encloses these figures in a roughly triangular silhouette and we immediately see them as a single unit.

According to a traditional and still popular romantic interpretation, Daumier's painting symbolizes timeless, suffering humanity. In a number of ways Daumier encourages such a generalization of the painting's meaning. But the generalization is, at best, only partially true.

The family group in the foreground can be seen as an allegory of the four ages of man (infancy, youth, maturity, old age), thus implying an unvarying cycle of human life. Daumier had something like this in mind when he planned *The Third Class Carriage*. Yet despite the family's deliberate inclusion, the allegory is understated. Had Daumier emphasized it, *The Third Class Carriage* might have turned into the sort of romantic cliche in which the tension inherent in the subject is resolved via a sentimental anecdote or allegory



(as so often happened in the paintings of Daumier's contemporaries). But in the context of the painting, the idea of the continuity of human life is not so much an endless cycle as a determination to endure.

Another generalization of the meaning of *The Third Class Carriage* often occurs in comparing the painting with the works of Rembrandt. Daumier suffered great insecurity about his painting technique and often turned to traditional art for guidance. His debt to Rembrandt in *The Third Class Carriage* is obvious in the dark warmth of the colors and in the ways he paints the foreground figures. In the figure of the grandmother Daumier even takes up the central preoccupation of Rembrandt's later work — aging as an existential tragedy.

There is also an obvious parallel with Rembrandt's humanism, his identification with the poor and outcast. Rembrandt deliberately chose socially-marginal and exotic subjects, for example the Jews of the Amsterdam ghetto. These subjects mark the beginning of modern artistic alienation — the imaginative equation between the artist who no longer occupies a fixed place in society and those society has marginalized. There is a long history of this sort of artistic alienation stretching from Rembrandt in the seventeenth century to Gericault, Delacroix and Courbet in the nineteenth. However, by the 1820s, artistic alienation was increasingly trivialized. It became a convention of romantic art, a necessary pose for the fashionable artist. The yearly salons were crowded with paintings of gypsies, banditti, smiling child beggars, etc. Via what might be called negative identification, the bourgeois salon audience imagined that these sentimentalized and unreal images of the poor, the outcast and the exotic embodied everything it was not. An entire imaginative world, free of contradiction and strife was thus fashioned — a world of images that buttressed bourgeois complacency.

The Third Class Carriage invites the viewer to identify with its subject but now there is a crucial difference. Daumier does not paint a group designated by society as exotic or outcast, nor does he make his subject pathetic. *The Third Class Carriage* is about the spiritual condition of being outcast but Daumier does not portray that condition in terms of the lives of a minority. Rather — and this is perhaps the most prophetic aspect of Daumier's painting — he paints the spiritual conditon of being outcast as characteristic of the majority.

In *The Third Class Carriage* Daumier equated alienation with what had recently become ordinary experience — railway travel, the sharing of space with strangers. But Daumier also recognized that the facts of ordinary experience are contained within a larger history. There is a suggestion, in the one or two shabby pieces of luggage, that we are witnessing an episode in the accelerating migration of the 1840s and 1850s from the countryside to the city.

Statistics give a summary idea of what occured. In the forty years between 1791 and 1831, the population of Paris and its environs increased 1½ percent. In the twenty years between 1831 and 1851 it grew by 100 percent. By the 1850s the French were talking of "the depopulation of the countryside." A few years later nearly one-sixth of the remaining rural population left for the city every year.

This historical process is suggested, I believe, even in the details of Daumier's imagery. Daumier paints a family, but it is, significantly, a family lacking a father. Thus instead of reassuring the viewer, the image of the family, whatever its allegorical overtones, is deeply disturbing. The father's absence foreshadows the family's dissolution — a passage from the stability of the patriarchal family, cornerstone of a traditional community, to the world of isolated individuals, the "lonely crowd" of figures in the background.

An account of the industrial revolution and its social impact would make a slim chapter in the history of nineteenth century painting. There are only a few significant paintings that in any way directly come to grips with industrialization or the social upheavals industrialization entailed. Instead, artists dealt with new and literally unimaginable experience obliquely. For example, as the city eclipsed the countryside, the popularity of landscape painting soared. Similarly, the formation of an urban working class out of the wreckage of a dispossessed peasantry was paralleled by the increasing popularity of the peasantry as a subject for art. Robert Herbert has argued that in nineteenth century painting, "the peasantry was among the most important subjects for the embodiment of the artists' attitudes towards the urban-industrial revolution." In short, to the extent they could contain them, traditional subjects were invested with a new range of meanings.

Only the most innovative artists attempted to formulate a specifically modern imagery. And such an attempt was bound to be fraught with difficulty. Consider, for example, the railway as a subject for art. In literature, the railway came to symbolize the age. In oil painting, the railway appears infrequently and its significance is almost never confronted. Even among railway images Daumier's is unique in its historical insight. For example, in *Rain, Steam and Speed* (1844), Turner acknowledged the dynamism of the railway through an elaborate and somewhat ambiguous metaphor in which a Great Western Railway locomotive, roaring across the Maidenhead viaduct over the Thames, is equated with the rainstorm that sweeps through the scene. This might be called railway sublime. Or if we look at Monet's paintings of Gare St.-Lazare, we see how the railway as a fact of modern life has been stripped of all historic and symbolic meaning — the station, the engines, the smoke are part of a spectacle of light, color and atmosphere as meaningful or as meaningless as the subjects of Monet's later series, his haystacks, lilyponds, Rouen Cathedrals.

The reasons for Daumier's uniqueness are to be sought in history: more precisely, at the point where Daumier's personal history intersects the larger history of his time. Daumier was born the son of an artisan in an age when the artisan class was fast disappearing. T.J. Clark has observed that "the artisans were the first and most bitter victims of industrialization." In the industrial revolution they had everything to lose, not simply a job but "status, the respect paid them for a precious skill;

they lost a whole culture of their own." It was no accident that Daumier's father, an artisan-glassmaker, went mad. He died in 1850 in the asylum of Charentown a few months after being confined.

Daumier began his artistic carer as a political caricaturist. A jail sentence in 1834 put an end to overtly political imagery. Afterwards, he concentrated on manners and mores. Between 1835 and the painting of *The Third Class Carriage* Daumier produced hundreds of works on the theme of modern life. The fearful attentiveness to change which had been his meagre legacy as the son of a struggling artisan prepared the way for images minutely documenting every shift in the Parisian scene. Urbanization became the central theme of Daumier's lithographs, the standard against which he measured experience: thus his tough-minded observations on the irrelevance of pastoral poetry, or his images of overfed members of the Parisian middle class confronting the increasingly unfamiliar countryside. Urban innovation was often his subject: the paving of the streets, Haussmann's boulevard projects, new modes of transportation — the omnibus, the railway.

In attempting to account for *The Third Class Carriage*, I must emphasize that Daumier was primarily a popular artist. For more than forty years, his life was a constant struggle to translate an idea, a new conception into an image. Oil painting, with its expensive, time-consuming techniques and conservative imagery could not match popular art when it came to subject matter. Henry James was not the first commentator to notice the enormous range of experience Daumier packed into his images.

The Third Class Carriage brought together disparate realms of experience. In it, Daumier associated technological innovation, symbolized by the squalor of the carriage interior, with the historical process by which the rural poor were driven off the land and forced to migrate to the city where they would become part of a rootless labor force or worse. The analogies with his family's experience in all of this must have been striking. The fate of the artisan class presaged the fate of all outmoded classes. While Daumier observed the historical process from the outside, he could also, in a sense, see it again from the inside looking out. Thus in *The Third Class Carriage* he incorporated a pessimistic sense of the irreversibility of the process. This explains the painting's extraordinary resonance.

NOTE: Daumier painted several versions of *The Third Class Carriage*. This essay concerns the most famous which belongs to the Metropolitan Museum. In writing this essay, I found especially useful Michel Melot, "Daumier in the History of Art," trans. David Kunzle, *Proceedings of the Caucus for Marxism and Art*, no. 4, Jan., 1979, pp. 24-31; T.J. Clark, *The Absolute Bourgeois*, Greenwich Conn., 1973, pp. 99-123; Robert L. Herbert, "City vs. Country: The Rural Image in French Painting from Millet to Gauguin," *Artforum*, VIII, Feb., 1970, pp. 46-55. The only essay devoted entirely to *The Third Class Carriage* is S.L. Faison, Jr.'s *The Third Class Railway Carriage in the Metropolitan Museum* (Gallery Books no. 13), London, n.d. [ca. 1945]. Unfortunately, Faison added nothing to the understanding of Daumier's painting. However, his booklet typifies the Daumier literature in its mystification of Daumier (*The Third Class Carriage* "is a reflection on human nature," Daumier used travel to observe "the human comedy," etc.). For the definition of alienation I drew upon Raymond Williams' discussion in *Keywords*, New York, 1976, pp. 29-32; Erich Fromm's excellent "Alienation under Capitalism," in Eric and Mary Josephson eds., *Man Alone*, 1962, pp. 56-73; Marx's "Alienated Labor" from his "1844 Manuscripts" (in the Josephson eds., pp. 93-105, and other editions) is, of course, indispensible. The Root and Branch collective discussed my typescript in detail and made many valuable criticisms and suggestions. My thanks to the collective for its comradely collaboration.

5 Sept. 1980

Alan Wallach

REVIEWS

Paul Mattick, *Anti-Bolshevik Communism*. London: Merlin Press, 1978 (Paper); New York: M.E. Sharpe, 1978 (cloth).

This collection of twelve essays, written between 1935 and 1967, covers a wide variety of subjects. It includes a critical review of Baran and Sweezy's *Monopoly Capital*, a discussion of the East-West "ideological struggle" in the natural sciences, and a critique of Karl Kautsky tracing his political development from his membership in the German Socialist Party in 1880 through his erroneous analysis of German fascism in the 1930s. Throughout the collection, however, Mattick presents a consistent political argument which challenges propositions long accepted as axiomatic by significant elements of the Left during the last half-century. In these essays one finds an analysis and rejection of the "old labor movement," on the one hand, and a critique of the theory and practice of Leninism, on the other. Both of these elements of the Left conceived of politics as "acting on behalf of the masses," but for Mattick politics is based upon and in the masses themselves.

Such politics were practiced on a significant scale in the period after the First World War:

> *from the pre-war Left (which included Luxemburg, Liebknecht, Pannekoek, and Gorter), coupled with the actual struggles of workers in mass strikes in the East as well as the West, there arose a movement during the war which continued for a few years as a truly anti-capitalist trend and found its organizational expansion in various anti-parliamentarian and anti-trade union groups in a number of countries.*" (p. 83)

This movement did not survive that period as a significant force. Rather, as Mattick quite rightly states, "The Lenin cult has become a new religion before which even the atheistic communists gladly bend the knee: it makes life easier in every respect." (p. 49) But Mattick has not taken the easy way: he has continued as a heretic. And in these essays he presents excellent accounts of other heretics of the revolutionary movement (Korsch, Ruhle, Luxemburg, etc.), of the organizations they formed and opposed, and of the genuine revolutionary activity and autonomy of the masses in the council movement. In these accounts, Mattick presents a political position, not mere history. He recalls the anti-Leninist movement not "to describe a particular part and phase of labor history, but as a warning, which may also serve as a guide for future action." (p. xi)

A basic element of Mattick's argument is his analysis of the "old labor movement," which spanned the century up to the period of the First World War. Mattick maintains that to revive this movement is inconceivable:

> *all such proposals for a "new beginning" are in reality but the restatement and rediscovery of ideas and forms of activity developed with much greater clarity and consistency during the beginnings of the modern labor movement.* (p. 73)

There can be no return to the principles of the old labor movement because they are now out of date, being "necessarily bound to a quite different stage of development of capitalist society." (p.74) Moreover, the old labor movement has now become an integral part of modern society, and is completely dependent upon it. Therefore, it rises and falls with the rise and fall of capitalism.

> *Bound to an expanding capitalism, totally integrated into the whole of the social fabric*, the old labor movement can only stagnate with stagnating capitalism and decline with declining capitalism (p. 76)

In the general decline of a social form, all that is integral to that form also declines. Therefore the very logic of the old labor movement is brought into question.

> *Eventually the history of the old labor movement is the history of the capitalist market approached from a "proletarian" point of view. The so called market laws were to be utilised in favor of the commodity, labor-power.* (p. 88)

The basic error of this approach is obvious: the capitalist market can never be neutral between capital and labor: it must favor capital. As Mattick says, trade and industrial unions, labor fronts and related organizations, situated as they are within capitalist society, are "*unable to function other than as an instrument of the society.*" (P. 75) Thus the history of the labor movement has an ironic and inevitable twist — the more they participate, the less they become. The movement's organizations

> *destroy themselves in the very attempt to become powerful forces within the capitalist system. They adopt the methods necessary under capitalist conditions to grow in importance and thereby in turn continuously strengthen those forces which will eventually take them over.* (pp. 77-78)

The old labor movement was thus based not on

presuppositions of socialism but on those of "progressive" capitalism. Indeed, as Mattick describes the situation in America, the old labor movement was "not a labor movement, but a capitalist movement of laborers..." (p. 79) Because the present state of the labor movement necessarily reflects its past history,

A rebirth of the labor movement is conceivable only as a rebellion of the masses against "their" organizations. (p.76)

Aside from the ideology of social democracy, the other dominating system of thought within the workers' movement has been that of the "revolutionary" theory which Lenin developed at the turn of the century and built up thereafter. Undoubtedly, Mattick's critique of this system is one of his most important contributions in these essays. He seeks to "set Lenin in his proper historical place," (p. 60) that is, we might say, as an agent of historical forces rather than as the prime mover portrayed in left hagiography. The revolutionary actions of the early 20th century were initiated by the masses themselves, not by organized political parties. Thus, as Mattick states quite correctly; "It was not Lenin who conducted the revolution, but the revolution conducted him." (p. 54) Therefore, what is important to study, in any effort to enrich and strengthen contemporary revolutionary theory, are the modes of revolutionary organization adopted by the masses *themselves* in the Russian revolution and elsewhere.

For Mattick, the agrarian aspect was decisive in the Russian revolution. Objective conditions made a socialist revolution impossible. Russia was too "backward" for socialism even while it was too "advanced" for liberal capitalism; in addition the revolution had only a national and not an international character. As a result, in Russia as later in Germany the *content* of the revolution was not the equal of its *form*. Yet though Mattick regards the objective conditions as determining, his critique of Lenin goes deeper than recognition of the limitations imposed by his period, to a critique of his very concept of politics.

Lenin's serious attempts to solve the problem of power led him straight back into the camp of the bourgeois revolutionists. This resulted not only from backward Russain conditions, but also from the theoretical development of western socialism, which had only further emphasized the bourgeois character it had inherited from earlier revolutions. (p. 82)

Lenin held consistently to a definite conception of politics throughout the thirty years of his written work and practical activity. As early as 1894, Lenin asserts that

Social Democracy — as Kautsky very justly remarks — is a fusion of the working class movement and socialism.[2]

He repeatedly insists that the "masses" and the genuine political movement must not be confined. The task of the latter is to "turn the struggle of the whole class, into the struggle of a definite political party."[3] At all times Lenin's political philosophy is based upon this distinction between the masses as a "material" spontaneous element, and the party as the "ideological," conscious element, making a blatant mind/body distinction between the two. Thus, in 1901, when criticizing the Rabocheye Dyelo group, he mentions that

They fail to understand that the "ideologist" is worthy of the name only when he precedes the spontaneous movement, points out the road, and is able ahead of all other to solve all the theoretical, political, tactical, and organizational questions which the "material elements" of the movement spontaneously encounter.[4]

For Lenin there can thus be no question of proletarian mass politics — a mode of politics originating with the proletarians themselves. He conceives of the masses as a mindless entity which various political and ideological organizations struggle to bring under their control. In his eyes "there can be no talk of an independent ideology formulated by the working masses themselves in the process of their movement, the only choice is — either bourgeois or socialist ideology."

Similarly, organizational form for Lenin does not depend upon the nature of the class to be organized or its goals, but transcends historical specificity:

In no political or social movement, in no country has there ever been, or could there have ever have been, any other relation between the mass of the given class or people and its numerically few educated representatives than the following: everywhere and at all times the leaders of a certain class have always been its advanced, most cultivated representatives.[6]

Lenin's attitude towards the council movement reflects all of these political positions (although he is occasionally ambiguous, as in *The State and Revolution*). By Lenin's criteria workers' councils can only be an "incipient power" because his own party's ideology does not dominate them. Lenin can see nothing in the councils beyond an arena for influence. Indeed for him to view them as they really were (genuinely political, revolutionary organizations created by the masses themselves in the process of their struggle), would require the destruction of his whole political system.

Mattick's rejection of Leninist political theory is most clearly presented in his 1935 essay, *Luxemburg versus Lenin*. The theories of these two figures are incompatible, he writes:

The Luxemburg position involves the destruction of Leninist Bolshevism, and therefore no one who appeals for authority to Lenin can at the same time lay claim to Rosa Luxemburg. (p. 21)[8]

For Luxemburg, how the masses organize politically depends upon the struggle which they are conducting: "in Rosa Luxemburg's writings the conscious revolutionists spring not only from growing insight but more still from the mass in its actual revolutionary activity." (p. 44) Luxemburg denies that consciousness is the sole

possession of intellectual, professional revolutionaries. For her, spontaneous mass movements demonstrate that the masses have the capacity to exercise initiative and the potential to bring about radical transformation. For her, this shows that Lenin is basically in error. And, of course, on many occasions history has shown Luxemburg to be correct, and Lenin to be wrong.

The critique of Leninism put forward by Mattick and others in the council communist tradition is, of course applicable to the "socialist world" today. This critique is of a completely different order than that used generally by the "left," i.e., the trotskyist analysis. This is illustrated very well in *Bolshevism and Stalinism*, which is a reply to Trotsky's *Stalin*. Trotsky's analysis of the Soviet Union could never involve a fundamental critique, in that for him the basis of communism existed there despite

certain individuals in control who are not what Trotsky considers they should be. Individuals, privileges, a bureaucracy — Trotsky can never go beyond this level of analysis; as Mattick states, "there is nothing in the arsenal of Stalinism that cannot also be found in that of Lenin and Trotsky..." (p. 61) Trotsky's feeble attempt to distance Stalin from Lenin, and to portray himself as the rightful heir to the master is impossible from the outset. In no sense can Trotskyism be regarded as a "left-wing" critique of Stalinism; both of them, "in order to suit their own needs... naturally expressed identical things in different terms." (p. 63)

For Mattick, in contrast, the Soviet Union illustrates "that the disappearance of the individual capitalist alone does not end the capitalist form of exploitation." (p. 80). He maintains that the centralization achieved by *revolution* in the Soviet Union echoes that achieved through *evolution* in the West. The problem is not the absence of political democracy in the U.S.S.R.; what is determining is that

> *the Russian workers have no voice whatever in the productive and social affairs of their country, but are subjected politically and economically to exploitative conditions and individuals like the workers of any other* (pp. 79-80)

This brings us back to Mattick's conception of communist politics. For him, this is not a mere question of the adequacy of political leaders or parties, but requires the rejection of such an approach. From this point of view, the history of the German communist movement of the first quarter of the twentieth century, has much to teach us. Mattick traces this history brilliantly in an essay on the political development of Otto Ruhle, an important figure in the left opposition to the German Communist Party.

Ruhle was one of the first to identify the Russian Revolution as a bourgeois revolution, declaring that Lenin's concept of politics was itself bourgeois. In Ruhle's words, Lenin's

> *distinction between head and body, between intellectuals and workers, officers and privates, corresponds to the duality of class society. One class is educated to rule; the other to be ruled. Lenin's organization is only a replica of bourgeois society. His revolution is objectively determined by the forces that create a social order incorporating these class relations, regardless of the subjective goals accompanying this process.* (pp. 101-102)

For Ruhle the importance of the revolutions of the period was in the autonomous "proletarian element" — the councils. Ruhle's watchword in 1920 was: "The Revolution is not a party affair." He considered that "it was futile to attempt to replace reactionary parties with revolutionary parties for the reason that the party form of organization itself had become useless and even dangerous." (p. 106)

As Mattick observes, the force of history gave Ruhle and his co-thinkers no opportunity to prove their theories, and after 1923, the German "ultra-left" movement "ceased to be a serious political factor in the German labor movement." (pp. 107-108) But the outcome of this movement should not be interpreted as indicating that its political theory was necessarily inadequate and erroneous. The politics of Ruhle, and in twin of Mattick, cannot be measured or assessed as "success" or "failure" by the criteria of Leninism, i.e., as a failure of "leadership." Mattick stresses that the council communists in Germany did not wish to act "for the workers;" since for this movement socialism

> can function only with the direct participation of the workers in all decisions necessary, *its concept of socialism is unreliable on the basis of a separation between workers and organizers.* (p. 85)

Council communist groups do not act as self-proclaimed leaders of the political struggle, seeking to

channel it in the "right" directions. Rather, "On all occasions, they try to foster self-initiative and self-action of the workers." (p. 85) If autonomous working-class activity is lacking, that of political groups cannot take its place. Thus in 1939, Mattick held that "Critique and propaganda are the only political activities possible today, and their apparent fruitlessness only reflects an apparent non-revolutionary situation." (p. 84)

Similarly, Mattick writes of Russia that "there existed from the very beginning a wide and apparently unbridgeable gap between the Soviet idea and the possibility of its realization..." (p. 144)
This gap existed because of internal and international conditions prevailing at the time, conditions under which the council movement had to fail. Indeed, this whole discussion indicates, as Mattick implies, that the concept of "spontaneity" needs a more careful treatment by social theory:

> *Spontaneity is a manner of speech, attesting to our inability to treat the social phenomena of capitalism in a scientific, empirical way.* (pp. 136-137)

However, that momentous historical period also demonstrated the potential of the masses, and proved that the social forms and institutions of authority that exist in both the East and the West are not inevitable:

> *With the council system a form of organization arose which could lead and co-ordinate the self-activities of the very broad masses for either limited ends or for revolutionary goals, and which could do so independently of, in opposition to, or in collaboration with, existing labor organizations. Most of all, the rise of the council system proved that spontaneous activities need not dissipate in formless mass-exertions but could issue into organizational structures of a more than temporary nature.* (p. 215)

Anti-Bolshevik Communism is an essential contribution to the development of revolutionary theory. The book covers a period of the history of the workers' movement which is too often forgotten or falsified. Perhaps more importantly, the essays are of tremendous theoretical value. They indicate areas of analysis which contemporary Marxists must take up and extend: for example, the concept of spontaneity, the function of genuine class practice, the problem of the role of non-Leninist political groups. Mattick deals with all these problems in this book, but it would be to ignore his whole political project if his was the final word.

Allan Taylor

Footnotes
1. For a similar analysis see Pannekoek's 1936 essay on *Trade Unionism* in *Root and Branch*.
2. See *What the "Friends of the People" Are and How They Fight Social-Democracy*, Collected Works (C.W.) 1, p. 320. For a deeper analysis of Lenin's conception of politics, in terms of masses, party, and their relation to the councils, see my essay *Lenin: Philosophy of Politics and Theory of Councils*, to appear in *Root and Branch*.
3. *Our Immediate Tasks*, C.W.4, p. 216.
4. *A Talk with Defenders of Economism*, C.W.5, p. 316.
5. *What is to be Done?*, C.W.5, p. 384.
6. Apropos of the *Profession de Foi*, C.W.4, p. 292.
7. C.W.24, p. 230.
8. For a more recent analysis see Mattick's *Rosa Luxemburg in Retrospect*, in *Root and Branch* 6.
9. From the essay on *Worker's Control*, which also contains pertinent criticism of organizations such as Producers' and Consumers' Co-operatives, the legal councils in Germany, shop stewards and workers' committees etc. That is to say, criticism of ideas of "industrial democracy" which are considered credible within "left-wing" political parties.

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Decade of Decision: The Crisis of the American System, Michael Harrington, Simon and Schuster, $11.95.

For some years now, Michael Harrington has been America's most visible social democrat. He's written nine books in two decades, taught, lectured, debated Buckley, Kemp and nearly every other conservative able to speak consecutively for half an hour, founded and chaired the Democratic Socialist Organizing Committee (DSOC), and tirelessly lobbied the Democratic Party to differentiate itself somehow from the Republican Party.

Unfortunately, not much has come of all this effort. The civil-rights and social-welfare gains of the sixties were an expanding economy's way of buying social peace. Class warfare of a sort broke out in the seventies,

and the haves won easily: no tax reform (except for various Proposition 13s), no welfare reform, no labor-law reform, no national health insurance, no consumer-protection agency, no public energy corporation, a niggardly windfall-profits tax, a massive capital gift to profit-bloated oil companies for synfuel development, and, of course, ballooning defense spending. After arduously earning the right to write part of the 1976 Democratic platform, and then helplessly watching it fade into oblivion, it seems that Harrington, DSOC and the rest of the democratic left may as well have campaigned for Angela Davis, for all the influence they achieved with the Carter administration. Their presence in the 1980 campaign was negligible.

Never daunted, Harrington returns to the fray with *Decade of Decision*, an updated polemic and program for these confused and mean-spirited times. The book's constant theme is that the priority of private over public decision-making power is neither necessary nor benign. Stagflation, sectoral inflation, unemployment, gross inequalities of income and wealth, urban and regional decay, environmental deterioration, the degradation of education and culture — all these public ills are in large measure the result of decisions taken without public knowledge or control. Harrington argues, for example, that stagflation is chiefly caused by "administered prices," whereby companies with sufficient market power simply target profit goals and then, during a recession, raise prices to meet these goals. Since, in oligopolistic industries — most major industries — the costs of entry are too high to allow newcomers to move in and take competitive advantage of these high prices, the dominant companies are immune from the "law" of supply and demand.

Sectoral inflation — the devastating inflation in the "key" sectors of health, food, housing and energy — is another case. Even a superficial comparison with every other advanced industrial society makes it perfectly clear that our fee-for-service system and private health insurance cost more and deliver less. Milk and sugar price supports bought by bribes, farm subsidies to curtail production and the larcenous grain deal with the Russians are all public scandals. Federal financing goes for high-cost housing, where the profits are, while low-cost housing disappers from most cities. The deviousness and greed of the major oil companies is widely acknowledged. In all these cases, Harrington merely states the obvious. What the Left has to contend with in these areas is not arguments but the power of the oil lobby, the AMA, the dairy, sugar and grain lobbies, and the real estate industry.

There is, however, a body of conservative argument about productivity and unemployment, which Harrington takes on. So far, the Right's strategy for explaining away successively higher levels of unemployment has been to redefine each as "full employment"; that is, according to Herbert Stein, the lowest jobless rate that "you could not get below without an acceleration of inflation." Other culprits besides inflation include women (newly "over-supplying" the job market), environmental and occupational-safety regulations and the minimum wage. Anyone who has watched the sleek Herbert Stein or the fatuous Arthur Burns lecture a respectful Congressional committee on the government's profligate generosity toward the poor, the unemployed, the workers in hazardous occupations and the environment will enjoy Harrington's sendup of their more outrageous mystifications.

And yet, although Harrington parries the neo-conservative ideological assault more or less skillfully, one has the uneasy premonition that there is a knockout punch waiting for the doughty democratic socialist. Since it's Harrington's book, the punch never lands, but the premonition lingers. And in fact, there is a decisive counter-argument, though it comes not from the Right, which, now as always, only dimly comprehends its own practice, but from the far Left.

The Right is always admonishing the Left that the market is an equilibrium mechanism, and that any well-intentioned interference during a temporary disequilibrium will only postpone the economy's eventual self-adjustment. Social spending — transfer payments and public enterprise — comes out of personal savings and corporate profits through taxes and borrowing; the latter also bids up the price of money (the interest rate), further lowering profits. In both cases, government revenue comes from the private surplus, which is the source of all new capital. Employment depends on capital formation, i.e., investment, which in turn depends on profits. So it is in society's interest to maximize profits, e.g., by lowering capital-gains taxes, increasing depreciation allowances, repealing minimum wage laws, etc.

This is the "trickle-down" theory, about which several things may be said. One is that it does not justify the currently popular "supply side" tax cuts. Harrington points out that the main sources of investment in this country are retained profits, pension funds and insurance companies, while the main beneficiaries of the proposed cuts will be rich individuals, who regularly put their money into gold, rare violins and other hedges against inflation. In other words, Kemp-Roth is a fraud, a simple giveaway, the rich soaking the rest of us.

Nevertheless, the "trickle-down" theory, when suitably formulated, as by Marx, contains the nub of the matter. Harrington is remarkable among prominent political figures for actually understanding and applying Marx. Most of Marx, anyway. He falters in the last lap, so to speak, and this fatal lack of closure explains why his reform program is, finally, a piece of magnanimous futility.

Harrington proposes a number of what he calls "structural reforms": price controls on oligopolies (but not wage controls), national health insurance, maximum output in agriculture with support for decentralized family farms, a tax assault on the maldistribution of wealth and income, and public investment in railroads, mass transit, solar energy, housing rehabilitation and other ways of meeting social needs and providing full employment. As he says, all these reforms add up to one: "democratic control of the investment process."

All this sounds not far from the Kingdom of

Heaven. However, it's true, as the Right argues in somewhat different terms, that in a market economy, public investment must ultimately be financed from surplus value — Marx's term for what, in this context, we may simply call profits. In Marx's theory, profit is the monetary form of that part of the total social product which goes to those who own rather than (as wages) to those who work. More precisely, it goes not chiefly to individual plutocrats for their consumption (though some does), but for reinvestment, or capital accumulation.

All economists, Marxist and mainstream, are agreed about the necessity for capitalism to accumulate, or expand, in order to survive. Since profits are the source of new investment, a long-term fall in the rate of profit means severe economic contraction; that is, depression. That the rate of profit has a secular, cyclical tendency to decline, and so to precipitate crises, is the central thread of the vast and intricate argument of *Capital*. Harrington crucially misinterprets this crisis tendency as merely a systematic imbalance between profits and wages — "underconsumptionism," in theoretical jargon. Whence his strategy: to smooth out the business cycle by increasing the wage share and redistributing profits through government spending.

Though Harrington explicitly rejects Keynesianism, as he understands it, his solution is essentially Keynesian; i.e., it is an attempt to modify the effects of the market system while retaining its basic mechanism. The Keynesian solution to the problem of recession was: whenever capital investment slowed and unemployment increased, the federal government should take up the slack by increasing its own spending. However, since all government spending finally comes from income produced in the private sector, increased public spending, just like a general rise in wages, lowers the surplus available as capital, thus aggravating the capital shortage and leading to a further decline in investment.

That increased government spending has a negative effect on capital formation is not an invention of conservative ideologues. But their conclusion — to call for cuts in government spending as a stimulus to investment — ignores the reason why government spending increased in the first place: to offset a prior decline in investment. Cuts in government spending will most likely bring, not a revival of capital investment, but rather, a sharp rise in unemployment.

Harrington is properly distressed at the human cost of higher unemployment. But given the limits of his program, he must somehow answer criticism from the Right that his proposals for massively increased public spending will eventually slow investment, the motor of capitalism and the ultimate source of all employment. One might reply, following Marx, that beyond a certain point (now on the horizon), nothing will stimulate investment. But that would imply rather different recommendations from Harrington's; specifically, scrapping the market system and production for profit, and planning production directy to meet collectively agreed-upon needs.

The market economy is a self-adjusting system, all right; but the mechanism of adjustment is depressions. Milton Friedman and other tough-minded economists on the Right perceive this clearly enough (though they doubtless wouldn't agree with Marx about why), and so they say: let's have a real one. Harrington, like Keynes, implicitly defends capitalism against the charge of periodically bringing on the appalling and universal misery of depressions, by offering a program he claims will avoid them.

Unfortunately, as Marx saw, there is only one way to avoid depressions: to do away with the market, wage labor and commodity production. To a Milton Friedman, this naturally means the Gulag. To one with a less impoverished conception of human possibilities, it means direct popular control of production, as expounded in this century by the hitherto marginal libertarian Left, including Luxemburg, Pannekoek, Korsch, Mattick and a few others. Remote from popular consciousness (and even mainstream Left consciousness) though it may be, this strain of libertarian communism is of ancient provenance. Harrington should heed this sardonic and prescient retort from an earlier "democratic socialist," the Leveller Thomas Rainborough, made to Oliver Cromwell during capitalism's first "decade of decision": "Sir, I see that it is impossible to have liberty but all property must be taken away. If it be laid down for a rule, it must be so... The poorest he that is in this realm hath a life to live as the greatest he..."

George Scialabba

CLR James, Lawrence Ferlinghetti, Immanuel Wallerstein, Julius Lester, Marge Piercy, Octavio Paz, R. Crumb, Philip Lamantia, Jim O'Brien, David Roediger, Leonora Carrington, Al Auster, Jay Kinney, Edith Altbach are some of the writers and artists contributing to the final issue of CULTURAL CORRESPONDENCE.

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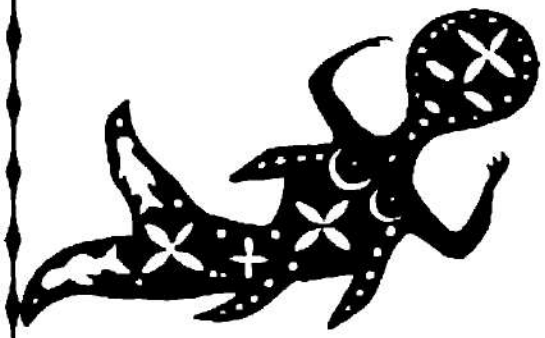

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ROOT & BRANCH

With the 1960s the eternal prosperity, the managed economy, and the attendant "death of ideology" of the post-World War II period came to an end. The combination of unemployment and inflation in the capitalist West and the inability of the state-run systems of the East to satisfy their working classes are producing unsettling effects throughout "industrial society": the deterioration of conditions in the big cities, which nonetheless draw an increasing proportion of the world's population; the brutalization of the seemingly permanent army of the unemployed, which has been accumulating in these urban centers; the instability of governments in the democracies, in the absence of any clear policy alternatives, inspiring a drift toward open authoritarianism; the development of opposition to the party dictatorships in the East, both in the form of liberalism among the intelligentsia and, more significantly, in that of strike movements among the working classes; and the continuing decay of ideologies and social norms. All this testifies to the basic character of the "limits of growth" that modern society is coming up against, and also raises the possibility, as the situation continues to deteriorate, of a revival of mass opposition to the existing social order.

Whatever disappointments Nature has in store for us in the future, the limits we are encountering now are not ecological but social ones. It is not even socially caused environmental disaster but the third world war that most directly threatens our extinction. That a fascination with zero-growth has replaced the nineteenth century's discovery of eternal progressive development is only the ideological form of the experience of the bankruptcy as a social system of capitalism and its state-run analog.

As yet we cannot speak of the existence anywhere in the world of forces or social movements which represent a real possibility of social revolution. But, while in no way inevitable, social revolution is clearly necessary if possibilities for an enjoyable and decent life are to be realized—and perhaps if human life is to be preserved at all. For this reason we see the overthrow of the present order of society as the goal to which we as a group wish to contribute. While the ideal we aim for has been called by a variety of names—communism, socialism, anarchism—what is important to us is the idea of a system in which social life is consciously controlled by those who activities make it up. Capitalism has created the basis of such a system by so interweaving the production and consumption of all producers that only collective solutions are possible to meet the producers' need to control the means and process of production and distribution. To eliminate the problems caused by the subordination of social production to capital's need for profit, the working class must take direct responsibility for what it already produces. We must decide what we will produce, and by what means and under what conditions to produce it. This means opposition not only to the existing ruling class of capitalists and politicians but to any future managers or party leaders seeking to hold power in our name. Root & Branch, therefore, holds to the tradition of the workers' movement expressed in the Provisional Rules of the First International, beginning with the consideration "that the emancipation of the working classes must be conquered by the working classes themselves." This tradition we see embodied in the efforts workers have made to take direct control of the means of production and social coordination: the Paris Commune, the Russian soviets and factory committees, the workers' councils of Germany and Italy, the Spanish collectives of '36, the General Workers Council of 1968.

From the past we draw not only inspiration and still-meaningful ideas but also lessons on mistakes to be avoided. The fundamental idea of the old labor movement, that the working class can build up its forces in large organizations in preparation for the "final conflict," has proven false. Whether the organization was that of reformist or of revolutionary parties, producer or consumer cooperatives, or trade unions, its success has always turned out to be a success in adapting to the exigencies of survival within capitalism. The Bolshevik alternative of the small vanguard of revolutionaries preparing for the day when they would lead the masses to the conquest of state power has also proven useless for our purposes. Such parties have had a role to play only in the unindustrialized areas of the world, where they have provided the ruling class needed to carry out the work of forced economic development unrealized by the native bourgeoisie. In the developed countries they have been condemned either to sectarian insignificance or to transformation into reformist parties of the social-democratic type.

History has indicated that revolutionary movements cannot be created by revolutionary groups, however correct their understanding or dedicated their will. While both theories and organizations have roles to play, revolutions develop from the active experience of masses of people confronted with social, economic, and political crisis. Nevertheless, the principles of such a future movement must guide the current activities of those who wish to contribute to its creation. These principles—in contrast to those of the old labor movement—must signify a total break with the foundation of capitalist society, the relation between wage-labor and capital. As our goal is that of workers' control over social life, our principles must be those of direct, collective action. Direct, because the struggle for control of society begins with the struggle to control our fight against the current order. Collective, because the only successes which have a future are those involving (if only in principle) the international working class as a whole. We recognize that the working class does not have one uniform identity, and thus experiences oppression under capitalism differently according to age, sex, race, nationality, etc. However, what defines and thus unites the working class is its exploitation by capital, even if the character of that exploitation varies giving the appearance of separate problems and thus separate solutions. While it is true that the struggle against capitalism will not by itself solve these problems, overcoming capitalist exploitation raises the possibility of their solutions. Thus, each working-class struggle, even if it does not address an issue experienced by the class as a whole, must be aimed at the real enemy, capital, and not other members of the class. In the same way, we think workers must overcome in action the division between employed and unemployed, between unionized and non-unionized members of their class. Such a view automatically brings us into opposition to existing organizations like trade unions, which exist by representing the short-term interests of particular groups of workers within the existing social structure. Similarly, we are in conflict with the parties and sects which see their own dominance over any future movement as the key to its success.

We see ourselves as neither leaders nor bystanders but as part of the struggle. We are for the development of many groups like ours and also for cooperation in common tasks. We initiate and participate in activity where we work, study, and live. As a group, we would like to be of some use in making information available about past and present struggles and in discussing the conclusions to be drawn from this history and its future extension. We organize lectures and study groups. Since 1969 we have published a journal and series of pamphlets. We hope others will join us to discuss the ideas and the materials we publish and that they will help us to develop new ideas and means to circulate and realize them.

Paul Mattick (1904-1981)

ERRATA

Page 2: Anti-Bolshevik Communism costs $7.50, not $5.00.

Page 20, note 5, line 10: "speaks for a lack of..." should read "speaks of a lack of...".

Page 30, column 1, 3rd line from the bottom: "an important, namely ideological..." should read "an impotent, namely ideological...".

Page 55, column 2, 5th line from the bottom: "concept of socialism is unreliable..." should read "concept of socialism is unrealizable...".

N.B.

Economics, Politics and the Age of Inflation by Paul Mattick is available from Root & Branch for $5.00.

Carrier Pigeon will not be distributing Root & Branch 10. Stores interested in carrying Root & Branch should write us at Box 236, Somerville MA 02143.

We received the attached flyer too late to run it in the magazine, but believe it's worthy of note.

This issue was made possible by the generous response to our November fundraising letter. Many thanks.

UP FROM THE ASHES

Though a few of its lifeforms linger on here and there in tidepools left by the receding waters of history, LENINISM IS DEAD. This is not the place to perform the autopsy. This has and is being performed elsewhere. Suffice to say that growing numbers of people are coming to recognize that Leninism represents the latest (and possibly last) form of bourgeois ideology, and is a bitter enemy of human liberation. We, who were once members of a Marxist Leninist group which emerged out of the sixties, have come to this conclusion through long and bitter struggle.

And we are certainly not alone. Gradually, by degrees, an antiauthoritarian movement of the left is taking shape, many of its members refugees from a variety of Maoist, Trotskyist, and other neo Leninist sects. Broadly speaking, three distinct groups have emerged: the anarchists (themselves divided into anarcho communist and syndicalist factions), the socialist feminsts (grouped, for instance, around the SOLIDARITY network, formed from the debris of the New American Movement), and a host of independent, revolutionary minded activists in the women's, antiwar, antinuke, and ecology movements. To this could be added various council communists, and others. This movement is extremely fractionalized. Dialogue between these groups is spotty at best. Cells and pockets of activity dot the continent like so many yeast cells.

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It is time to move 'beyond the fragments'. But the question remains: is this to be achieved by synthesizing the 'worst of both worlds', by fusing, in the manner of Sheila Rowbotham, the philistinism of the Old Left onto the social worker mentality of the New? Or is it to be achieved by developing a thoroughly revolutionary libertarian alternative? We are at the crossroads of history. Never have the threats and possibilities for humanity been so painfully counterposed. The alternatives are an immense leap forward or a cataclysmic leap back. However weak and fractionalized we are, we represent the new and vibrant shoots of the political and social future. And it has been left to us to develop the unprecedented theoretical and practical solutions that such times demand. We have antecedents, but responsibility for reshaping the theoretical legacy of the past, and developing a new synthesis, lies with us.

Specifically, we feel there is a need for a journal (theoretical, to be sure, but decidedly not academic) to facilitate the process of identifying the cardinal issues that confront and divide us, and to promote principled struggle with the aim of achieving political unity, and the formation of a nonauthoritarian, revolutionary political organization at the earliest possible date. Such a journal should be open to all who share this dream, regardless of their organizational affiliation. A journal with this specific goal would complement, not detract from, the work of the many other journals already in existence. We want to know what you think. We want to receive a written reply from everyone who receives this letter, telling us, positively or negatively, whether such an endeavor is desirable, possible, necessary, or out to lunch. WRITE TO US AS SOON AS POSSIBLE, AND SHOW THIS LETTER TO OTHERS. On to the future!

May 1, 1982
Ronald Hayley,
Joseph Moore